Agenda – Council – July 16, 2014

Report – Executive Policy Committee – July 9, 2014

Item No. 3 Reactivation of Local Improvement Charges – 774 Bonner Avenue (North Kildonan Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 9, 2014, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the deferment of the local improvement taxes on 774 Bonner Avenue (Roll No. 04003432500) authorized under By-law No. 135/2012 cease effective July 16, 2014.

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

3. That all Notices of Deferment relating to By-law No. 37/2007 and 135/2012 be discharged from the title.

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 – July 9, 2014

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 9, 2014, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: REACTIVATION OF LOCAL IMPROVEMENT TAXES DEFERRED ON 774 BONNER AVENUE PURSUANT TO BY-LAW NO. 135/2012

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin	M. Chambers	M. Ruta	D. Joshi

RECOMMENDATIONS

1. That the deferment of the local improvement taxes on 774 Bonner Avenue (Roll No. 04003432500) authorized under By-law No. 135/2012 cease effective July 16, 2014.

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

3. That all Notices of Deferment relating to By-law No. 37/2007 and 135/2012 be discharged from the title.

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

REASON FOR THE REPORT

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

IMPLICATIONS OF THE RECOMMENDATIONS

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

HISTORY

On February 22, 2006, Council passed By-laws for imposition of local improvement taxes for local improvements in John Huyda Drive for the property located at 774 Bonner Avenue as follows:

By-law No.	Improvement Type	Term	Cash Cost Amount
35/2006	Wastewater Sewer	2006-25	$1,698.60
38/2006	Land Drainage Sewer	2006-25	$804.60
48/2006	Watermain	2006-15	$1,609.20
55/2006	Concrete Street Pavement (25 foot x 6 inch)	2006-15	$4,925.94
63/2006	Ornamental Street Lighting	2006-08	$420.18

The above local improvement taxes were deferred on February 21, 2007 by By-law No. 37/2007 for 774 Bonner Avenue.

Deferment By-law No. 37/2007 states the circumstances under which the deferment will cease. The condition under Subsection 1(b)(i) occurred on February 21, 2012.

On February 22, 2012, Council adopted the reactivation By-law No. 45/2012 that provided the authority to the Public Service to reactivate the appropriate assessments and the local improvement taxes to be imposed with a requirement to pay. With the adoption of this by-law, Council repealed By-law No. 37/2007; however the Notice of Deferment was not discharged from the title.

Following the reactivation, the property owners applied for a second deferral and on November 14, 2012. The Local Improvement taxes that were part of the reactivation By-Law 45/2012 were again deferred by By-law 135/2012.

Deferment By-law No. 135/2012 in Subsection 1(b) states the circumstances under which the deferment will cease, these are as follows:

(b) The deferments permitted under this by-law shall continue until the earlier of September 27, 2017, and the occurrence of any of the following:
(i) registration of a plan of subdivision or re-subdivision affecting part or all of the property;
(ii) re-zoning of part or all of the property that permits a change in land use;
(iii) granting of a variance that allows a change in land use of part or all of the property; or
(iv) the occurrence of any other event which contemplates a change in land use of part or all of the property and which, in the opinion of City Council, would defeat or affect the reasons that were advanced to support the deferment.

On April 9, 2014 the property was sold to Waterside Development Corp.

On April 22, 2014 the East Kildonan-Transcona Community Committee concurred in the recommendation of the Winnipeg Public Service with regards to the Subdivision and Rezoning of 774 Bonner Avenue under the File DASZ 57/2013.

On May 13, 2014, the Standing Policy Committee on Property and Development concurred in the recommendation of the East Kildonan-Transcona Community Committee and submitted the matter to the Executive Policy Committee.

On May 21, 2014, the Executive Policy Committee concurred in the recommendations of the Standing Policy Committee on Property and Development and the East Kildonan-Transcona Community Committee, and submitted the matter to Council.

On June 25, 2014 Council concurred in the recommendations of the Executive Policy Committee and adopted By-law 74/2014 which approves a plan of subdivision and amends Winnipeg Zoning By-law No. 200/2006 to rezone land located at 774 Bonner Avenue.

As Council has approved the plan of subdivision and rezoning of 774 Bonner, the deferment should cease and the property owner be required to pay the local improvement taxes at the same cash value or amortized cost at the prevailing City rates as at July 16, 2014 including interest at the City's current capital borrowing rate.

Reactivation of the local improvement taxes is necessary in order to allow the cost of the Local Improvements to be added to the tax roll, the second Notice of Deferment to be discharged, and plan of subdivision to be registered at the Winnipeg Land Titles Office

Upon Council approval of the Reactivation By-law, the local improvement taxes will be imposed as follows:

Improvement Type	Term	Administration Rate	Finance Interest Rate	Cash Cost Amount	Annual Levy Rate
Wastewater Sewer	2015-34	1.00%	5.00%	$1,698.60	$147.96
Land Drainage Sewer	2015-34	1.00%	5.00%	$804.60	$70.18
Watermain	2015-24	1.00%	4.25%	$1,609.20	$210.98
Concrete Street Pavement (25 foot x 6 inch)	2015-24	1.00%	4.25%	$4,925.94	$645.92
Ornamental Street Lighting	2015-17	1.00%	3.00%	$420.18	$151.53

Once the local improvement taxes have been imposed on the subject property a discharge of the Notice of Deferment will be provided to the property owner. Once this discharge has been registered with the Winnipeg Land Titles Office, the Notice of Deferment will then be cancelled on the title of the property.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 27, 2014

Project Name:

Reactivation of Local Improvements Deferred on 774 Bonner Avenue

COMMENTS:

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

Original signed by
Fernando Dela Cruz
Acting Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal

Legal Services Department (as to legal issues only)

External

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: T. Austin, Manager of Taxation and Finance Services
Date: June 27, 2014
File No. N/A