Agenda – Council – April 27, 2016

Report – Executive Policy Committee – April 20, 2016

Item No. 5 Reactivation of Local Improvement Taxes deferred on 2125 Inkster Boulevard pursuant to By-law No. 6438/94 (Old Kildonan Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 20, 2016, 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 2125 Inkster Boulevard (Roll No. 14098651000), authorized under By-law No. 6438/94, cease effective February 18, 2016.

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

3. That Reactivation By-law No. 32/2016 (draft By-law attached as Schedule A) be enacted in accordance with Recommendations 1 and 2.

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 – April 20, 2016

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 20, 2016, 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 2125 Inkster Blvd Pursuant to By-law No. 6438/94**

Critical Path: **Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
T. Austin	M. Chambers	M. Ruta	M. Jack COO

RECOMMENDATIONS

1. That the deferment of the local improvement taxes on 2125 Inkster Boulevard (Roll No. 14098651000), authorized under By-law No. 6438/94, cease effective February 18, 2016.

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

3. That City Council enact Reactivation By-law No. 32/2016 (draft By-law attached as Schedule A) in accordance with Recommendations 1 and 2 of this Report.

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.

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the reactivation of a deferred watermain local improvement for the property at 2125 Inkster Boulevard.

The watermain local improvement was first charged to the subject property in 1991 pursuant to By-law No. 5619/91 and was the subsequent deferral was granted in 1994 by By-law No. 6438/94. The owners of the subject property have approached the City of Winnipeg to pay out the local improvement and have the Notice of Deferral discharged from the title.

As the payment has been received for the payment of the local improvement, the Public Service recommends reactivating the local improvement and discharging the Notice of Deferral from the title.

IMPLICATIONS OF THE RECOMMENDATIONS

There is no financial impact to the City of Winnipeg as the deferment for the local improvement for this property was originally recorded as a receivable on the balance sheet.

HISTORY

In 1991, Council passed a By-law for the imposition of local improvement taxes for local improvements in Inkster Boulevard from the east line of Groverdale Avenue to King Edward Street for the property located at 2125 Inkster Boulevard as follows:

By-law No.	Improvement Type	Term	Annual Levy
5619/91	Watermain	1991-2000	$4,325.56

The above local improvement taxes were deferred on June 22, 1994 by By-law No. 6438/94 for 2125 Inkster Boulevard (see Attachment 1 for Notice of Deferment).

Deferment By-law No. 6438/94 (see Attachment 2 for Deferment By-law) states the circumstances under which the deferment will cease. In this case the property owners have approached the City of Winnipeg and wish to pay out the deferred local improvement.

Accordingly the deferment should cease and the property owner be required to pay the local improvement taxes at the cash cost or amortized cost at the prevailing City rates as at February 18, 2016, 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 and the Notice of Deferment currently registered against the subject property be discharged. Payment for these local improvement taxes in the form of a personal cheque has been received from Dr. Suresh Reddy and Mrs. Maria Reddy on behalf of the registered owner of the subject property. The payment, received February 18, 2016, covers the full cash cost of the local improvement in the amount of $65,853.30, which is calculated at the prevailing cash cost rate as at February 18, 2016 of $97.00 per frontage foot multiplied by the actual frontage of the subject property, 678.9 feet ($97 x 678.9 = $65,853.30). (see Attachment 3 for LI Cash Cost Statement)

Upon Council approval of the Reactivation By-law, the local improvement taxes will be imposed on the subject property. Furthermore, as payment of the local improvement taxes on the subject property has been received, such payment will be processed by the City and 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:** February 18, 2016

Project Name:

Reactivation of Local Improvements Deferred on 2125 Inkster Boulevard

COMMENTS:

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.

Ramona Hodges
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal
Legal Services Department

OURWINNIPEG POLICY ALIGNMENT

The Local Improvement process is generally aligned with the enabling strategies provided for in OurWinnipeg Policy 01-1a: Direction 3: Promote Compact Urban Form and Manage the Extension of Municipal Services for New Growth.

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: T. Austin, Manager of Taxation and Finance Services
Date: February 18, 2016
File No. N/A

Schedules:

A. Draft By-law No. 32/2016

Attachments:

1. Notice of Deferment
2. Deferment By-law No. 6438/94
3. Local Improvement Cash Cost Amounts


notice of deferment 2125 inkster.pdf


2125 inkster deferment by-law 64


LI Cash Cost Statement for 2125 I

Schedule A

THE CITY OF WINNIPEG

BY-LAW NO. 32/2016

A By-law of THE CITY OF WINNIPEG to reactivate certain local improvements on 2125 Inkster Boulevard deferred pursuant to By-law No. 6438/94.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

1 The deferments authorized by By-law No. 6438/94 hereby cease for the property under Roll No. 14098651000 and legally described as follows:

LOTS 2 AND 3 PLN 962 WLTO
IN SE ¼ 26-11-2 EPM

2 The following assessments are hereby reactivated with a requirement for payment to be made in either of the two ways defined hereunder:

		TAXES			
Original Tax Imposition By-law No.	**Type of Local Improvement**	**Term**	**Current Annual Levy Amount**	**Interest Rate**	**Cash Cost Amount**
5619/91	Watermain	2016-2025	$8,526.98	4.00%	$65,853.30

(a) The local improvements may be paid for at the Cash Cost Amounts set forth above on or before the 31st day of March, 2016; or

(b) Annual local improvement levies shall be annually inserted in the aforementioned real property tax roll during the whole of the prescribed term and shall be payable to and collected by the City of Winnipeg in the same way as other rates and taxes on the said roll, with the usual provisions for commutation to apply.

3 For the purpose of the payment of the cost of the local improvements assessed against the subject land by By-law No. 5619/91, the levies as assessed against the subject land by the schedule attached to the said By-law and the terms as provided in the said By-law are replaced by the levies and terms provided in Section 2 hereof.

4 By-law No. 6438/94 is hereby repealed.

DONE AND PASSED, this day of , 2016.

_____
Mayor

_____
City Clerk

Approved as to content:

_____
Director of Assessment
and Taxation

Approved as to form:

_____
For Director of Legal Services and
City Solicitor