

November 26, 2018

To: His Worship the Mayor
And Members of City Council

Re: Application for Title - 2018 Liens

RECOMMENDATION

**RECOMMENDATION OF THE FINANCE AND ADMINISTRATION COMMITTEE
- NOVEMBER 6, 2018**

1. That the Manager, Property Taxation & Admin be authorized to serve six-month notices on all parcels of land included in the list of lands marked as Appendix A.
2. That the Manager, Property Taxation & Admin be authorized to proceed with the next steps in tax enforcement on the expiry of the six-month notices.

FINANCE AND ADMINISTRATION COMMITTEE – NOVEMBER 6, 2018

The Committee adopted a resolution to concur in the recommendation contained in the report.

Recommendation #3 does not require City Council approval.

Councillors: Bob Hawkins (Chairperson), Jason Mancinelli and Barbara Young were present during consideration of this report by the Finance and Administration Committee.

The Finance and Administration Committee, at its meeting held on November 6, 2018, considered the following report from the Administration:

RECOMMENDATION

1. That the Manager, Property Taxation & Admin be authorized to serve six-month notices on all parcels of land included in the list of lands marked as Appendix A.
2. That the Manager, Property Taxation & Admin be authorized to proceed with the next steps in tax enforcement on the expiry of the six-month notices.
3. That this report be forwarded to the November 26, 2018 meeting of City Council for approval.

CONCLUSION

Based on the 2018 tax lien, the properties listed in Appendix A to this report have an interest registered by the City of Regina at the Land Registry and have outstanding tax arrears. Upon City Council resolution, Administration will proceed with tax enforcement proceedings by serving six-month notices, after November 26, 2018, on properties where arrears of taxes have not been paid and the interest based on the tax lien has not been discharged. Administrative costs will be added to the tax roll pursuant to section 19(1) of *The Tax Enforcement Act*.

BACKGROUND

The purpose of this report is to obtain approval to serve six-month notices after November 26, 2018 and proceed with additional tax enforcement on properties where:

- The City of Regina placed an interest in 2018 through registration of a tax lien for tax arrears.
- The arrears of taxes have not been paid.
- The interest based on the tax lien has not been discharged.

DISCUSSION

City Council approval to proceed under subsection 22(1), of *The Tax Enforcement Act* is requested to serve six-month notices on the 454 properties listed in Appendix A to this report. Subsection 22(1) reads in part as follows:

“At any time after the expiration of six months from the date on which the municipality’s interest based on a tax lien was registered in the Land Titles Registry, the municipality may, by resolution, authorize proceedings to request title to any parcel included in the list with respect to which the arrears of taxes have not been paid and the interest based on the tax lien has not been discharged.”

The steps taken prior to proceedings for title for the typical property listed in Appendix A are as follows:

1. Taxes on the properties were due and payable on June 30, 2017. Taxes on properties with supplementary notices were due December 31, 2017.
2. Taxes were in arrears as of January 1, 2018.
3. The properties were advertised in the Leader-Post on February 3, 2018. Properties with supplementary notices were advertised April 7, 2018.
4. Interests, based on a tax lien, were registered on the various title(s) to the properties at the Land Registry beginning April 11, 2018.

In all cases, the market value of these properties exceeds the value of tax arrears, thus prompting the owner or a financial institution with an interest in the property to pay the tax arrears prior to the City of Regina taking title.

The City of Regina will not necessarily take title to the property after the six-month period. The City of Regina has the right to pursue other means to collect the outstanding arrears as allowed by *The Cities Act*, including but not limited to, civil suit, seizure of rents and/or seizure of goods and chattels.

The next steps in the process are:

1. First application for title (which is pursuant to this resolution).
2. After a required six-month waiting period, Provincial Mediation Board consent would be required prior to final application for title.
3. When Consent is issued by the Provincial Mediation Board, the Consent would be registered on title and a final 30 Day notice would be served.
4. Transfer of title to the City of Regina.

Administration follows the regulations of *The Tax Enforcement Act* for tax arrears. Steps in the tax enforcement process each take considerable time and effort to administer. Costs are added to the tax roll authorized by Section 19(1)(f) of *The Tax Enforcement Act*.

RECOMMENDATION IMPLICATIONS

Financial Implications

There are no direct financial implications as a result of this report. Allowances are established at the end of each year for outstanding taxes. The allowances are then reflected in year-end results and audited financial statements.

Environmental Implications

There are no environmental implications directly related to this report. In most instances, the taxes are paid for properties where application for title is made. In those instances where the City of Regina proceeds to take title, the City of Regina undertakes a full review of the environmental implications and makes decisions on a case by case basis as to whether to proceed to take title or not. Every effort is made to minimize the cost to the City of Regina.

Policy and/or Strategic Implications

The authorization to serve six-month notices to the properties listed in Appendix A, allows for timely and efficient tax enforcement.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

The City of Regina has an active process of communicating with property owners with respect to outstanding taxes. Property owners are notified throughout the tax enforcement process and will continue to be notified as required by the legislation.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,

FINANCE AND ADMINISTRATION COMMITTEE

A handwritten signature in black ink, appearing to read 'Ashley Thompson', with a horizontal line extending to the right.

Ashley Thompson, Secretary