

Request for Decision

Title	2022 Tax Recovery Reserve Bid (Public Tax Sale)
Proposed Motion	That Council approve the conditions of sale and the reserve bid identified in the 2022 Public Sale of Land Report at market value as prepared by Sturgeon County’s Assessment Department for the Public Tax Recovery Property Auction to be held on November 2, 2022.
Administrative Recommendation	Administration recommends that Sturgeon County adhere to the process for recovery of taxes related to land as set out in the <i>Municipal Government Act</i> (MGA).
Previous Council / Committee Direction	None.
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> • The tax collection process requires diligent efforts by Administration to communicate tax payment deadlines through many means, including in person, telephone, emails, notices, letters, statements, signage, social media, website updates, and the Sturgeon County app to ensure that taxpayers are fully informed of the tax payment requirements and the status of their accounts at appropriate stages in the collection cycle. • Properties that have been in tax arrears for two (2) years are placed on the tax arrears listing as of March 31 that year, which results in tax notification being registered on title. In the third year, if the tax arrears still exist after March 31 and the tax account owner has not entered into a payment agreement, the property can be sold at a public tax sale at a reserve bid price that has been approved by Council in accordance with the <i>Municipal Government Act</i> (MGA). • Administration will continue to work with tax account owners currently listed on the reserve bid to clear their accounts of tax arrears and/or enter into payment agreements for those who are eligible. Tax accounts that have paid arrear balances in full or enter into a payment agreement prior to the public tax sale will be removed from the reserve bid listing and properties will not be offered for sale. • The County’s Assessment Services department prepared the 2022 Public Sale of Land Report (see Attachment 1) to estimate the market value for the list of properties Sturgeon County will offer for sale by public auction

in the Cardiff Room at the Sturgeon County Centre on November 2, 2022, at 10 a.m.

- The proposed conditions of sale are as follows:
 - 10% of the reserve bid total, non-refundable down payment by cash, bank draft, or certified payment with the full payment to be made within 30 days following the auction.
 - The estimated market value of each property is listed in the attached 2022 Public Sale of Land Report.
 - Property owners have up to the date at the time of the public auction to pay tax arrears.
 - Administration has attempted to contact / notify the landowners of the imminent tax recovery sale.

2022 Administrative Adjustments

- Administration has brought the conditions of sale and the reserve bid for Council to approve earlier this year to allow those on the list to proactively address the seriousness of the situation.
 - The 2021 approved conditions of sale were:
 - 10% non-refundable down payment by cash, bank draft, or certified payment with the full payment to be made within 30 days following the auction.
 - The 2022 proposed conditions of sale are:
 - 10% of the reserve bid total, non-refundable down payment by cash, bank draft, or certified payment with the full payment to be made within 30 days following the auction.
 - This change provides those attending the public auction clear direction on how much to bring as a required down payment.
- Once the public auction has begun on November 2, 2022, if a taxpayer attends the County Centre front desk to pay a balance on their account, the taxpayer will be immediately redirected to the location of the auction. The designated officer will pause (recess) the auction proceedings to determine if they are paying a tax arrears balance, and if so, remove the tax account from the auction list if the property has not been declared sold by that point in time.

External Communication

- The 2022 Public Sale of Land Report will be advertised in the Alberta Gazette on September 30, 2022, and in the local newspaper on October 19, 2022.

Relevant Policy/Legislation/Practices:

- MGA, sections 419(a) and (b)

The council must set:

- a) for each parcel of land to be offered for sale at a public auction, a reserve bid that is as close as reasonably possible to the market value of the parcel; and*
- b) any conditions that apply to the sale.*

	<ul style="list-style-type: none"> • MGA, section 427(2)
Implication of Administrative Recommendation	<p><u>Strategic Alignment:</u> Operational Excellence - Setting the reserve bid is consistent with the policies and procedures of Sturgeon County.</p> <p><u>Organizational:</u> Administration will have information regarding the lowest possible bid acceptable at the November 2, 2022 tax recovery property sale.</p> <p><u>Financial:</u> Sturgeon County can retain from sale proceeds the amount of tax arrears as well as a 5% administration fee in accordance with the MGA.</p>
Alternatives Considered	That Council defer the approval of the 2022 Tax Recovery Reserve Bid (Public Tax Sale) to a future Council meeting.
Implications of Alternatives	Deferring the approval to a future Council meeting may affect the advertising timelines required and relatively, the public auction date as well.
Follow up Action	1. Conduct the Public Tax Sale Auction (Assessment Services and Financial Services, November 2, 2022).
Attachment(s)	1. Attachment 1: 2022 Public Sale of Land Report
Report Reviewed by:	Luis Delgado, Manager, Assessment Services Sabrina Duquette, Manager, Corporate Finance & Treasury Andrew Hayes, General Manager, Financial Services & Chief Financial Officer Reegan McCullough, County Commissioner – CAO

Strategic Alignment Checklist

Vision: *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

Guiding Principles: Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>