

## 2022 TAX PUBLIC AUCTION RESOLUTION

### RECOMMENDATION

1. That the 2022 Tax Public Auction be held on October 20, 2022, in Council Chamber, City Hall, commencing at 10 a.m.
2. That the reserved bid be set for all properties at fair market value and that the market value be determined by an independent appraisal of each property.
3. That the Terms and Conditions of Sale as outlined in Attachment 1 of the May 24, 2022, Financial and Services report FCS01207, be approved.

### Report Purpose

#### Council decision required.

Council is being asked to approve that the 2022 Tax Public Auction be held on October 20, 2022, in Council Chamber, City Hall, commencing at 10:00 a.m with the terms and conditions set out in this report.

### Executive Summary

- Each year, municipalities must offer for sale, at public auction, any parcel of land remaining in arrears of taxes and subject to a Tax Recovery Notification. This report describes the annual process that will be followed by the City as set out in the *Municipal Government Act* (MGA).
- The 2022 Tax Public Auction list reflects the properties eligible for tax sale as of April 14, 2022. This includes 685 properties representing a total amount of \$7,522,264.84 in outstanding property taxes. Significantly fewer properties are expected to be available on the tax public auction date as the potential sale normally results in the payment of outstanding property tax amounts.

### REPORT

Each year, City Council receives a report on the annual property tax public auction that is typically held in April of each year. Due to COVID-19 impacts and public health restrictions, the 2019 and 2020 public auctions were postponed to November 25, 2021 and January 25, 2022, respectively. As 2021's auction was held relatively recently, the 2022 annual property tax public auction will be held on October 20, 2022. This will allow Administration time to pursue payment or develop

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payment arrangements, and to complete collection activities and notification requirements prescribed by the *Municipal Government Act* (MGA) prior to the public auction date.

The following steps apply with respect to the properties included in the Tax Public Auction list for October 20, 2022:

- 1) In February 2021, a tax recovery notification warning letter was issued to the owners of any property that was in arrears of taxes of more than one year.
- 2) On March 31, 2021, a tax recovery notification was registered against the property title at Alberta Land Titles Office, with respect to those properties where taxes remained in arrears as of that date.
- 3) Once the tax recovery notification was registered, confirmation of this registration was sent to the owners of the property by the Alberta Land Titles Office.
- 4) Every parcel that has an existing tax recovery notification on title is scheduled to be offered for sale at a public auction after March 31 of the year immediately following the date of registration.
- 5) In April 2022, courtesy warning letters were mailed to the owners of the properties to be included for tax public auction.
- 6) In July 2022, an additional warning letter will be mailed to owners of properties remaining on the tax sale public auction list.
- 7) A list of tax public auction properties will be advertised in one issue of the Alberta Gazette (official newspaper of the Government of Alberta) between 40 and 90 days prior to the auction date.
- 8) At least four weeks before the date of the public auction, a registered notice will be sent by the City of Edmonton to:
  - each owner;
  - each person whose interest is evidenced by a caveat registered by the Registrar, Alberta Land Titles; and
  - each encumbrance shown on the certificate of title for each parcel included in the tax public auction.
- 9) A list of tax public auction properties will be advertised in one issue of the Edmonton Journal between 10 and 20 days prior to the public auction date.
- 10) A list of tax sale properties will be posted on the City's website after the properties are published in local newspapers.

The 2022 Tax Public Auction list (Attachment 2) reflects the properties eligible for tax sale as of April 14, 2022. This includes 685 properties that represent a total amount of \$7,522,264.84 in outstanding property taxes. Significantly fewer properties are expected to be available on the tax public auction date, as the potential sale normally results in the payment of outstanding property tax amounts.

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From 2017-2021, the average number of accounts originally listed for tax sale was 1,076, with an average of 12 properties being offered for sale by the time of the public auction each year.

Properties offered for public auction that are not sold and not redeemed by the taxpayer may be acquired by the City of Edmonton.

### **COMMUNITY INSIGHT**

No public engagement was undertaken for scheduling of the tax auction date. It is a legislated requirement that City Council approve the annual tax sale public auction date, the terms and conditions of the sale, and the method of establishing the reserve bid for properties included in the auction.

### **GBA+**

Administration works with any owner of a property on the tax sale list over the course of several years to reach a solution for an account in arrears. Tax sale is a last resort when any other resolutions have not been reached. Tax collectors follow a fair and consistent process for all property owners.

### **ATTACHMENTS**

1. Terms and Conditions of Sale for the Public Auction
2. 2022 Tax Public Auction List