



WHISTLER

REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: July 21, 2020

REPORT: 20-070

FROM: Corporate and Community Services

FILE: 4350

SUBJECT: TAX SALE DEFERRAL BYLAW

COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Corporate and Community Services be endorsed.

RECOMMENDATION

That Council consider giving first, second, third and final readings to the “Tax Sale Deferral Bylaw No. 2287, 2020”.

REFERENCES

Tax Sale Deferral Bylaw No. 2287, 2020. (Not attached)

PURPOSE OF REPORT

The purpose of this report is to seek Council's approval of the “Tax Sale Deferral Bylaw No. 2287, 2020”.

DISCUSSION

The COVID-19 pandemic has created an environment of unprecedented economic uncertainty that has directly and immediately impacted many residents and businesses in the Resort Municipality of Whistler (RMOW). It is important that all levels of government mobilize to provide meaningful relief to residents and businesses negatively impacted by the virus.

The Resort Municipality has previously announced, in response to this crisis, an extension of the property tax penalty date from July 3 to October 1, 2020. This allows tax payers additional time to make their property tax payments. The RMOW recognizes that for many tax payers financial recovery will take several months or years and in particular for those tax payers who have not paid their property taxes for the past two years and are at risk of having their property sold at a tax sale.

In addition to providing an additional measure of relief for tax payers facing financial hardship, there are other reasons that postponing a tax sale during the COVID-19 pandemic is advised. The RMOW has many international home owners; the pandemic has resulted in postage restrictions to many countries. Tax sale legislation requires written notification prior to offering a property at tax sale, which might not be possible at this time. In addition, properties offered for sale that receive no bids default to the RMOW. This represents a risk to the RMOW as the RMOW may become owners of properties with significant operating costs or liens.

Annually on the last Monday in September the RMOW is required to hold a tax sale under Division 7 of *the Local Government Act*. The tax sale is a public auction of properties within the municipality that have unpaid property taxes from two consecutive years prior to the current year. A property sold at tax sale may be redeemed by the owner (meaning the property returns to their ownership)

within one year from the day the annual tax sale by paying the total upset price plus all costs associated with the property since the date of the sale. The upset price includes the total amount of current year taxes receivable, plus the prior year's taxes currently in arrears, plus two years' prior delinquent taxes, plus any penalties and interest that have accrued on each of those three year taxes unpaid.

On May 15, 2020 the Province of British Columbia passed Ministerial Order No. M157 – the Local Government Finance (COVID-19) Order. Ministerial Order No. 157 allows for a council of a municipality to adopt a bylaw on or before August 31, 2020, that will defer the annual tax sale for 2020 until September 27, 2021. Delinquent taxes as described in section 246 (1) of the *Community Charter* for 2020, remain delinquent for 2021 with interest charges that are carried under the Act.

Deferring the collection of delinquent property taxes will not result in economic hardship for the RMOW or difficulty in meeting financial obligations for the RMOW.

OTHER POLICY CONSIDERATIONS

Ministerial Order No. M157 – the Local Government Finance (COVID-19) Order, allows for a council of a municipality to adopt a bylaw to defer the annual tax sale for 2020 until September 27, 2021.

The recommended resolutions included within this report are consistent with the goals, objectives and policies included within OCP Bylaw 2199, 2018.

BUDGET CONSIDERATIONS

All outstanding property and parcel taxes remain receivable by the Resort Municipality of Whistler. Delinquent taxes identified both in 2020 tax year and 2021 tax year will be collected through the tax sale process in 2021. The RMOW has adequate cash flow to meet obligations with a one year delay in the collection of delinquent taxes.

COMMUNITY ENGAGEMENT AND CONSULTATION

The "Tax Sale Deferral Bylaw No. 2287, 2020" was presented at an open meeting of Council on July 21, 2020.

SUMMARY

The Tax Sale Deferral Bylaw will defer the municipal property tax sale for the Resort Municipality of Whistler from September 28, 2020 to September 27, 2021. There will be no property tax sale in 2020.

Respectfully submitted,

Maureen Peatfield
MANAGER OF FINANCIAL SERVICES

for
Carlee Price
DIRECTOR OF FINANCE

for
Elizabeth Tracy
ACTING GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES