

**COMMITTEE OF THE WHOLE COUNCIL MEETING
December 6, 2021**

The meeting was called to order by the Chair at 7:22 p.m., in the Multi-purpose Room, in the Administrative Centre, in Barrington, N.S., with the following members present:

- Lindsay (Eddie) Nickerson, Chair
- Jody Crook
- George El-Jakl
- Shaun Hatfield
- Andrea Mood-Nickerson

- Chris Frotten, CAO
- Lesa Rossetti, Municipal Clerk

ADDITIONS TO THE AGENDA

It was agreed that the following items be added to the agenda:

- Service Recognition Letter
- Light at Centreville Ballpark

APPROVAL OF AGENDA

Being duly moved and seconded that the agenda be approved as amended.

Motion carried unanimously.

APPROVAL OF MINUTES

Being duly moved and seconded that minutes of the last meeting held November 15, 2021 be approved as circulated.

Motion carried unanimously.

MATTERS ARISING FROM PREVIOUS MEETINGS

RFP Re: Barrington Passage Properties PIDs 82569138 and 80051063

Further to the committee meeting held October 12, 2021, members were provided with a draft RFP for the purchase and development of municipally owned properties located in Barrington Passage identified as PIDs 82569138 and 80051063. The draft RFP was reviewed by members. Discussion took place regarding the type of development desired, lot size, installation of road and sewer, possible site for future medical clinic, etc.

It was agreed that the draft RFP be revised as suggested and brought back to the first committee meeting in January.

It was noted that the other municipal properties identified in the Staff Report presented in October will be discussed at a later date.

NSFM CORRESPONDENCE

Correspondence from the Nova Scotia Federation of Municipalities dated November 15th, 22nd, 29th and December 6, 2021, was attached to the agenda for review by members.

REQUEST FROM ROSEWAY HOSPITAL CHARITABLE FOUNDATION

It was reported that correspondence has been received from the Roseway Hospital Charitable Foundation which thanked Council for their contributions this year and requested a financial contribution towards their short term locum housing initiative, based on our population. Discussion took place regarding the request.

Resolution COW211201

Being duly moved and seconded that it be recommended to Council that the request from the Roseway Hospital Charitable Foundation for a financial contribution towards their short term locum housing initiative be denied, as budgeted funds have already been committed to the Digital X-Ray machine and the Student Sponsorship Program.

AFFIRMATIVE

Jody Crook
George El-Jakl
Shaun Hatfield
Andrea Mood-Nickerson

NEGATIVE

Lindsay (Eddie) Nickerson

Motion carried.

TAX SALE BY TENDER

In advance to the meeting, members were provided with a Staff Report regarding the Tax Sale process. Due to the requirement to ask for proof of full vaccination for any participants of the public auction, the unpredictability of COVID-19 and the success of the tender process last year, it is recommended that the 2022 Property Tax Sale be once again conducted through a public tender process.

A copy of the Staff Report is attached and forms part of the minutes.

Resolution COW211202

Being duly moved and seconded that it be recommended to Council that the 2022 Tax Sale be held by public tender.

Page 3, Committee of the Whole Council Meeting, December 6, 2021.

AFFIRMATIVE

Jody Crook
George El-Jakl
Shaun Hatfield
Andrea Mood-Nickerson

NEGATIVE

Lindsay (Eddie) Nickerson

Motion carried.

RECREATION ADVISORY COMMITTEE APPLICATION

It was reported that Steve Kelly of Port LaTour has expressed an interest in serving on the Recreation Advisory Committee.

Resolution COW211203

Being duly moved and seconded that it be recommended to Council that Steve Kelly of Port LaTour, District 5, be appointed to serve on the Recreation Advisory Committee.

Motion carried unanimously.

SERVICE RECOGNITION LETTER

It was noted that Dr. Blair has retired and it was agreed that his years of service to residents of our area be acknowledged.

LIGHT – CENTREVILLE BALLPARK

It was reported that lights recently installed at the Centreville Ballpark to light the Park need to be adjusted downward to reduce the amount of light on the Centreville/South Side Road and neighbouring properties.

It was agreed that this matter would be explored.

At approximately 9:00 p.m. the regular committee meeting was adjourned.

IN-CAMERA SESSION RE: MGA SECTIONS 22(2)(a) and 22(2)(g)

At this time, an In-Camera Session was held to discuss the sale of municipal property and to receive legal advice eligible for solicitor-client privilege regarding possible breach of the Code of Conduct for Elected Municipal Officials.

First item discussed was the sale of municipal property.

Deputy Warden Crook left the meeting at 9:26 p.m.

Legal advice eligible for solicitor-client privilege regarding possible breach of the code of Conduct for Elected Municipal Officials was then received.

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Page 4, Committee of the Whole Council Meeting, December 6, 2021.

The regular committee meeting was called back to order at 10:20 p.m.

REPORT ON IN-CAMERA SESSION

The Warden reported that direction was given to the CAO in the In-Camera session regarding the sale of municipal property and on how to proceed with the possible breach of the Code of Conduct for Elected Municipal Officials.

ADJOURNMENT

The meeting was adjourned at 10:21 p.m.

Chair

Secretary for the Meeting



An ocean of opportunity

STAFF REPORT

SUBMITTED BY: Leah d'Eon

DATE: November 26, 2021

SUBJECT: Tax Sale Process

ORIGIN

The Municipality of the District of Barrington has a yearly property tax sale, held in February. Due to the requirement to ask for proof of full vaccination for anyone wishing to attend the tax sale and the success of the tender process last year, the question is whether to have the tax sale in person or to proceed to a tendering process.

BACKGROUND

Tax Sale Proceedings

As per our Tax Collection and Tax Sale policy and the Municipal Government Act 134(1), the Municipality collects overdue tax by way of a property tax sale each year. Properties are placed on tax sale when the property taxes are two full years in arrears. Once the listing is certified by the Treasurer, the tax clerk proceeds through the steps of a tax sale which include the following.

- Preliminary Notices – Notices sent are sent to property owners, advising them that taxes are in arrears and providing them with 14 days to pay their outstanding property taxes.
- Title Search – A title search of the properties on the Tax Sale list is performed by the municipal solicitor.
- Notice of Intent to Sell – Once the title searches are completed, another notice is provided to the property owners, spouses, and any person with a mortgage, lien or other interest in the land.
- Advertisements and Notice – Properties to be sold at tax sale shall be advertised in two issues of the local newspaper. A listing is posted to the municipal website and information regarding the properties can be found at the Municipal Administration office.
- Tax Sale – Typically a public auction held at the Municipal Administration Building.

Tax Sale by Tender

Section 149 of the Municipal Government Act does give authority to municipalities to sell land by tender:

(1) Where a municipality calls tenders for land to be sold for taxes, the municipality may reject all tenders if

(a) the price tendered is less than the taxes, interest, and expenses; and

(b) the council considers that the best price offered is inadequate, and may again put the land up for sale, by tender or by public auction.

(2) Where a municipality calls tenders for land to be sold for taxes, the person whose tender is accepted shall pay the tender price within three business days after being notified of the acceptance.

(3) Where the balance of the purchase money is not paid within three business days, the land shall again be advertised and put up for sale.

(4) The expenses of the resale shall be deducted from the deposit and the balance shall be refunded after the resale is held.

DISCUSSION

In a typical property tax sale, the Municipality normally has between 20-30 properties to be sold with 40-50 bidders in attendance. This usually translates in most properties being sold and their outstanding taxes paid.

If the proof of full vaccination policy is still in place, we risk having a low attendance, thus affecting our chances of selling most properties. We would then be forced to hold subsequent tax sales to try and sell the remaining properties. This would incur additional costs in advertising, tax sale expenses and staffing. Also, with the unpredictability of COVID-19, public health measures and restrictions could return, affecting gathering limits for example.

Tax Sale by Tender

For the most part, the process for a tax sale by tender would be the same as our regular tax sale process. To date, we have sent the preliminary notices, performed the title searches and provided notice of intent to sell. We would have to advertise the date of the sale, potentially February 14, 2022, and proceed with accepting bids.

Tenders would be accepted in a sealed envelope by the close of the tender (specific date and time). Minimum bids would be set at the amount of outstanding property taxes, tax sale expenses, deed registration and any applicable taxes. The tender would be required to meet the minimum bid set for the property.

The Municipality would reserve the right to reject any or all tenders, to accept a tender that is not the highest bid, or to accept any tender which it may consider to be in its best interest. The accepted tender price must be paid within three business days. Failure to pay the accepted tender price within three business days would result in the property being placed on the list of the next property tax sale.

The tender opening would be held shortly after the close of the tender. When municipal tenders are opened, we have at minimum 2 staff members present. Bid listings are created and signed off by all employees present to ensure accuracy and formal notice would be given the following business day. The results would then be posted on the municipal website.

We expect that the tender process would allow more bidders to bid on properties, which would likely result in more properties being sold. We believe the tendering process would also be in the best interest of public health and safety and would avoid delays or cancellations due to unforeseen or short notice restrictions relating to COVID-19. These events gather a large number of people and take time to plan.

Finally, last year's property tax sale was held via tender. It was very successful as we received numerous bids on all the properties except one. We received bids from across Canada, the US and worldwide. This allowed everyone an equal opportunity to bid without having to be physically present. We did have one issue with a bidder "cancelling" their bid after they won. In that case, Section 149(3) of the MGA is clear that if the successful bidder does not pay the balance of the property within 3 days, the property needs to be put up for tax sale again. That means we are not able to go to the second highest bidder so to counteract that issue, we would include a refundable deposit of \$200 to make any bids. This would ensure only interested buyers are bidding on properties and would improve our tendering process.

BUDGET IMPLICATIONS

Property taxes receivable balance as of March 31, 2022, would be impacted if the tax sale process is not complete prior to our fiscal year end. While this would not affect our yearly budget, an increased accounts receivable balance at year end would affect our municipal indicators. Accounts receivable collections is an area that we have improved upon over the past number of years and we continue to strive to achieve a "green" rating for that indicator.

LEGAL IMPLICATIONS

N/A

PUBLIC CONSULTATION/COMMUNICATIONS

N/A

RECOMMENDATION

Due to the requirement to ask for proof of full vaccination for any participants of the public auction, the unpredictability of COVID-19 and the success of the tender process last year, it is recommended that the property tax sale be once again conducted through a public tender process.

ATTACHMENTS

- Draft Property Tax Sale Tender Document

DRAFT PROPERTY TAX SALE BY SEALED TENDER

Notice is hereby given, in accordance with the Municipal Government Act, Part 6, Section 142, that the Municipality of the District of Barrington is inviting sealed tenders for the following properties:

ASSESSMENT #	PID #	PROPERTY DESCRIPTION	ASSESSED OWNER	MINIMUM BID
12345678	8000000	Land	John Doe	\$ 1, 000

For a more detailed description of the property, please see the tax sale list on our website or contact the Municipality of Barrington at 902-637-2015, extension 224, or via email wchristie@barringtonmunicipality.com.

Tenders shall be submitted in a sealed envelope, addressed to the undersigned and shall be clearly marked on the outside of the envelope, **“PROPERTY TAX SALE BY TENDER,”** and **“ASSESSMENT ACCOUNT NUMBER”** to 2447 Highway 3, Barrington, NS, B0W 1E0. A refundable \$ 200 deposit is required with each bid.

Bidders shall complete one **“Tender Form”** for each property they are bidding on and place each form in its own envelope when bidding on more than one property. The forms are available on the municipal website, barringtonmunicipality.com, by calling (902) 637-2015, ext 224, or email, wchristie@barringtonmunicipality.com.

TENDERS WILL BE ACCEPTED UNTIL 2 P.M. ATLANTIC STANDARD TIME ON MONDAY, February 14, 2022.

TERMS: Bidder must meet the minimum bid set per property; bid price includes HST (if applicable) and the certificate of sale and certificate of discharge/tax deed recording fees. **The accepted tender price must be paid within three full business days after being notified of acceptance. Failure to pay the accepted tender price within three full business days will result in the property being placed on the next property tax sale. Acceptable methods of payment will be by cash, certified cheque, money order, bank draft, irrevocable letter of credit or lawyer’s trust cheque as per the MGA 148(1.)**

All properties are sold “as is where is.” Although the Municipality has made all reasonable efforts to confirm ownership, it does not guarantee title or boundaries of the aforementioned property. Prospective purchasers are responsible to conduct their own searches and surveys or other investigations.

The Municipality reserves the right to reject any or all tenders, to accept a tender that is not the highest bid, or to accept any tender which it may consider to be in its best interest. The Municipality also reserves the right to waive formality, informality, or technicality in any tender. Tenders must be received by a qualified bidder.

LIMITATION OF LIABILITY: By submitting a tender, you agree that neither the Municipality, nor any of its employees, officers, agents, elected appointed officials, advisors or representatives will be liable, under any circumstances, for any claim, loss, or damage you may suffer arising out of this tender process.

TENDER OPENING: Tenders will be opened Monday, February 14th at 2:30 p.m. Due to Covid 19, the tender opening will be done in private and formal notice will be given the following business day. The successful bidder will have three full business days after notice to pay in full by certified cheque, money order, bank draft, irrevocable letter of credit or lawyer’s trust cheque.

Leah d’Eon
Director of Finance

TENDER FORM
PROPERTY TAX SALE BY SEALED TENDER

NAME(S): _____

MAILING ADDRESS: _____

TELEPHONE: _____ EMAIL: _____

ASSESSMENT ACCOUNT #: _____ BID AMOUNT: _____

MANNER OF TENURE: _____

The manner of Tenure should be chosen if there will be more than one owner of the property. The choices are either as Joint Tenants or as Tenants in Common. If Joint Tenants are chosen, it means that if any of the multiple owners passes away, the other(s) will inherit the entire property. If Tenants in Common are chosen and one of the owners passes away, their share of the ownership would be passed to their heirs. If a Manner of tenure is not selected, the default choice will be Tenants in Common.

SIGNATURE: _____ DATE: _____

Summary Instructions for Sealed Tenders and Terms/Conditions:

1. One tender form per assessment number must be submitted. Each form must be in a separate envelope when submitting a bid on more than one property.
2. A refundable \$ 200 deposit is required with each bid.
3. All properties are sold "as is where is." Although the Municipality has made all reasonable efforts to confirm ownership, it does not guarantee title or boundaries of the aforementioned property.
4. Tax Sales do not always clear up defects in title, the tax deed only conveys the interest of those assessed.
5. Pursuant to Section 144(2) of the NS MGA, purchase of Tax Sale Property by Municipal Employees or their Spouses is not permitted.
6. The successful bidder will be given three full business days after the awarding of the tender to pay the bid amount in full.
7. Faxed/electronic (emailed) tenders will not be considered.
8. The Municipality reserves the right to reject any or all tenders, to accept a tender that is not the highest bid, or to accept any tender which it may consider to be in its best interest.
9. The tender must meet the minimum bid set for the property.
10. Limitation of Liability: By submitting a tender, you agree that neither the Municipality, nor its employees, officers, agents, elected appointed officials, advisors or representatives will be liable, under any circumstances, for any claim, loss, or damage you may suffer out of this tender process.