

Bill No. 39  
2017

By-law No. CPOL.-\_\_\_\_

A by-law to repeal and replace Council Policy 26(4) entitled “Treatment of Properties that Do Not Sell at Municipal Tax Sales” Policy.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

AND WHEREAS the Municipal Council wishes to take the necessary steps to repeal and replace the existing Council Policy 26(4) entitled “Treatment of Properties that Do Not Sell at Municipal Tax Sales”;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Council Policy 26(4) is hereby repealed and replaced with a new Council Policy 26(4) attached hereto as Schedule “A”.
2. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on December 19, 2016.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First Reading – December 19, 2016  
Second reading – December 19, 2016  
Third reading – December 19, 2016

## **SCHEDULE “A”**

### **26(4) Treatment of Properties That Do Not Sell at Municipal Tax Sales**

- 1) After a failed tax sale, circulate the property to internal departments and external agencies in accordance with City policy for the sale of City-owned properties in order to determine if they have any interest in the property, should the City vest the property; (if there is internal or agency interest in a property, this interest will be presented to Council for a decision as to whether or not to take ownership for the department or agency after conducting a Phase 1 and Phase 2 ESA as considered appropriate).
- 2) Conduct a Phase 1 Environmental Site Assessment (ESA).
- 3) Conduct a Phase 2 Environmental Site Assessment where appropriate as indicated by the Phase 1 ESA and conduct any further environmental testing and review as may be indicated by phase 2 information.
- 4) Report to the appropriate Committee of Council and if there is no internal department or external agency interest in the property, market the property by either issuing a Request for Proposals or a Request for Tenders as deemed appropriate in the circumstance. A Request for Proposals shall include an evaluation criteria with weighted scoring. A draft Agreement of Purchase and Sale shall be included with either process.
- 5) In the case of a Request for Proposals, evaluate the submissions received and prepare a recommendation report for the appropriate Council Committee for the Proponent with the highest technical combined score for the property acquisition. In the case of a Request for Tenders, the award of the tender will be recommended to the highest bidder and shall also have a recommendation report prepared for the appropriate Council Committee.
- 6) Vest property and convey to the purchaser after approval of sale agreement by the Municipal Council.
- 7) Apply the proceeds of the sale against the tax arrears; deem any remaining tax arrears uncollectible and write off the remaining tax arrears upon registration of the notice of vesting of the property by the City.

#### **NOTES:**

- A. Clauses in a form satisfactory to the City Solicitor will be included in the Agreement of Purchase and Sale to clarify that the property is being sold by the City on an “as is, where is” basis and that the purchaser acknowledges that the City has regulatory liability limitation from MOE orders under the EPA for the time that it owns the property (for up to five (5) years).
- B. Where encumbrances of the Federal or Provincial Governments or their agencies exist, City staff will attempt to negotiate a resolution of the interest as part of or prior to step 4.
- C. Where it is determined that a property has no environmental risks or liabilities or where the estimated market value will exceed the estimated costs of clean up, City staff may vest the property at any time and follow standard procedures for the designation and sale of surplus City land.
- D. Where it is determined that environmental risks or liabilities are so severe with respect to a property that the City should not vest a property even for the purposes of immediate transfer, then a recommendation to take no action with respect to the property will be provided to Council by staff.