



City of  
**Peterborough**

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**To:** Members of the Finance Committee

**From:** Richard Freymond  
Commissioner of Corporate and Legislative Services

**Meeting Date:** June 10, 2019

**Subject:** Report CLSFS19-029  
Reduction of Property Tax Arrears for 511 Romaine Street

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## **Purpose**

A report to allow for the reduction of property tax arrears for the property located at 511 Romaine Street to allow for a potential tax sale.

## **Recommendations**

That Council approve the recommendations outlined in report CLSFS19-029 dated June 10, 2019, of the Commissioner of Corporate and Legislative Services as follows:

- a) That the property tax arrears be written off from the tax account of the property municipally known as 511 Romaine Street.
- b) That the outstanding tax amount be reduced to \$100,000, thereby increasing the chances of a successful tax sale and recovery of outstanding tax arrears.

## **Budget and Financial Implications**

In previous years, an appropriate provision has been included in the City's Allowance for Doubtful Accounts. As such, there are no additional budget and financial implications.

## Background

The property at 511 Romaine Street was used in the former operations of Outboard Marine Corporation of Canada Ltd., and is still registered in the company's name. Property taxes are currently 17 years in arrears and exceed the assessed value of the property. The property is 2.05 acres in size and is zoned with the Enhanced Service Industrial zoning of M3.2, which permits a wide range of industrial uses, plus a place of assembly; police station; fire hall; ambulance dispatch station; school; day nursery; library; museum; art gallery and studio workshop.

The site is commonly known as a brownfield site. A map showing the location of the property is included in Attachment 1.

The **Municipal Act, 2001** provides that municipalities may sell a property to recover unpaid taxes. As per section 371 of the **Municipal Act, 2001**, the cancellation price is the amount equal to all the tax arrears owing together with all current property taxes owing, interest and penalties and all reasonable costs incurred by the municipality. Reasonable costs include legal fees and disbursements as well as costs that may be incurred for advertising the tax sale.

Due to the fact that the tax arrears on this property exceed the value of the property, the likelihood of a successful tax sale at the full cancellation price is unlikely to result in a successful tax sale.

Section 354 (2) (a) of the **Municipal Act, 2001** states that the Treasurer of a local municipality shall remove unpaid taxes from the roll if, the Council of the local municipality on the recommendation of the Treasurer, writes off the taxes as uncollectible.

Staff recommend that the tax arrears amount for 511 Romaine Street be reduced to \$100,000. This reduced tax amount will result in a more appealing cancellation price that may attract a number of buyers, allowing the City to recoup a portion of the outstanding taxes. A successful tax sale will also create an opportunity to collect future taxes levied on the property.

Submitted by

Richard Freymond  
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix 1: Map – 511 Romaine Street

**511 Romaine St.**

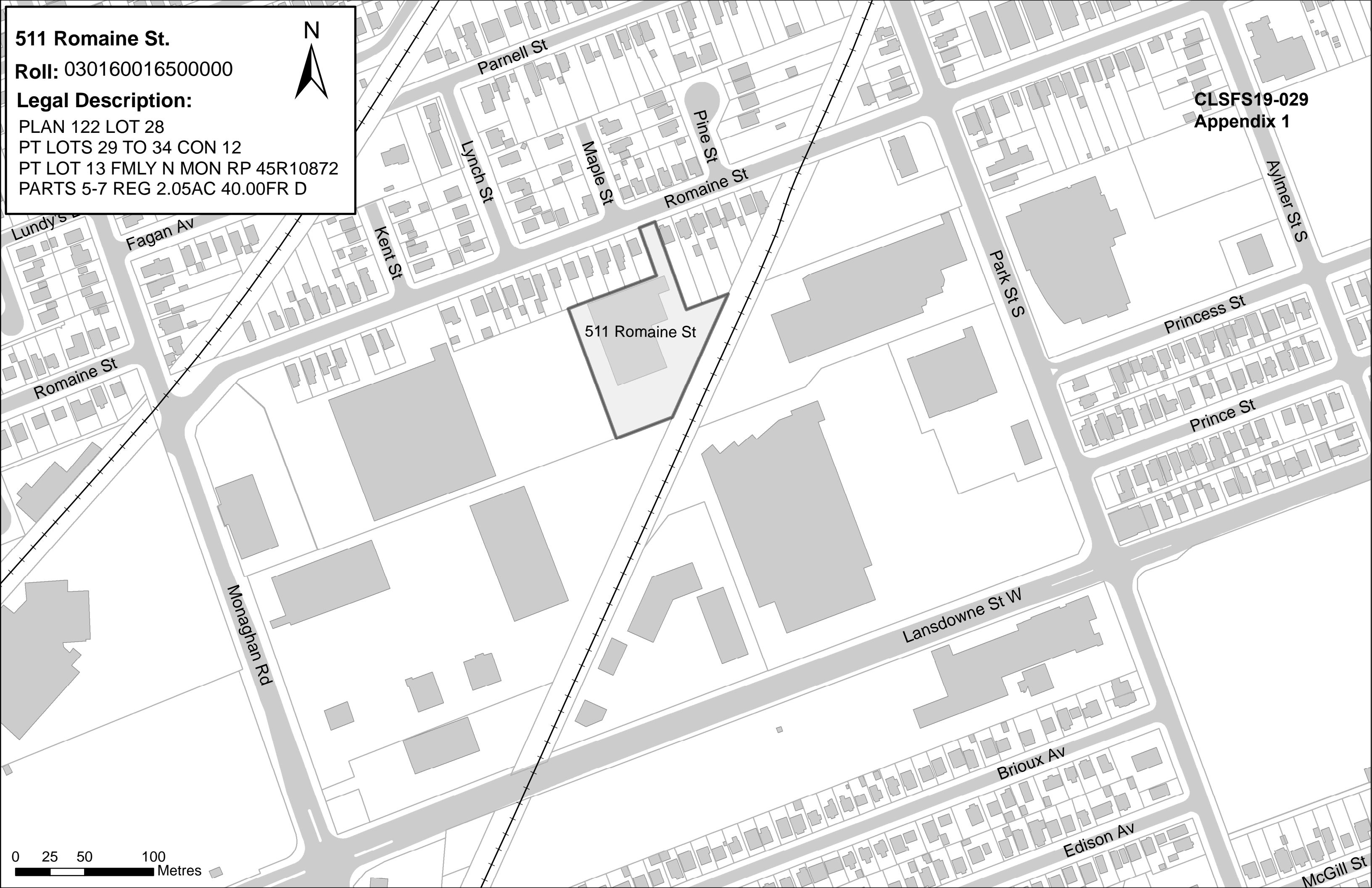
**Roll: 030160016500000**

**Legal Description:**

PLAN 122 LOT 28  
PT LOTS 29 TO 34 CON 12  
PT LOT 13 FMLY N MON RP 45R10872  
PARTS 5-7 REG 2.05AC 40.00FR D



**CLSFS19-029  
Appendix 1**



511 Romaine St

