



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Joseph Vandermeer, Deputy Treasurer

DATE: September 16, 2024

REPORT NO.: CS-2024-024

SUBJECT: Award of Proposal 2024-060-P Municipal Tax Sale Services

RECOMMENDATION:

THAT Report No. CS-2024-024 dated September 16, 2024, regarding the Award of Proposal 2024-060-P Municipal Tax Sale Services be received;

AND FURTHER THAT Realtax Inc. be awarded 2024-060-P Municipal Tax Sale Services for a two (2) year term, at a total amount of \$109,000.00 plus applicable taxes with the option to renew for an additional three (3) years subject to satisfactory performance and price negotiations;

AND FURTHER THAT the Manager of Purchasing be authorized to issue purchase orders to Realtax Inc. in a total amount of \$109,000.00 for the first two year term and subsequent renewals if exercised;

AND FURTHER THAT Council authorizes the Mayor and Clerk to execute the necessary contract documents for the project.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Realtax Inc. currently serves as the Town's vendor for Tax Sale services.
- Only one bid was submitted in response to the Town's Request for Proposal.
- The Tax Sale process is cost neutral to the Town.

BACKGROUND AND DISCUSSION:

Part XI of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, outlines the framework for the "Sale of Land for Tax Arrears." This legislation grants municipalities the authority to sell properties that are two or more years in arrears on their property taxes.

The tax sale function requires a comprehensive understanding of Part XI of the Municipal Act. It is imperative that all procedures are executed accurately and within the specified timelines. Additionally, this function requires specialized expertise.

In 2007, Council approved FIN-2007-0005 to outsource services for the sale of land for tax arrears. Since then, the Town has been utilizing the services of Realtax Inc. The number of properties registered for tax sale varies annually.

COMMENTS

A Request for Proposal (RFP) for Municipal Tax Sale Services was issued on May 29, 2024.

The contract term is for a two (2) year contract, with up to three (3) one (1) year options to renew.

Four (4) firms downloaded the document. The RFP closed on July 5, 2024 and one (1) submission was received as follows:

Vendor	Location
Realtax Inc.	Newmarket, Ontario

The bid was evaluated by staff to ensure it met the criteria in bid document.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town’s Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Internal Consultation was not needed as this report is administrative in nature.

FINANCIAL IMPLICATIONS:

The Municipal Act permits municipalities to add any reasonable costs related to a tax sale directly on to the property tax account, ensuring a cost-neutral process. While the Town must initially cover the fees associated with the tax sale process, these expenses will be recovered once the tax account is settled in full or the property is sold through the tax sale.

Reviewed and approved by,

Bethany Yew, Manager of Purchasing

Moya Jane Leighton, Director of Finance & Town Treasurer

Laura Lancaster, Commissioner of Corporate Services

Chris Mills, Chief Administrative Officer