

Re: DISPOSAL OF HOUSE
EASTBURN NEIGHBOURHOOD IMPROVEMENT PROGRAM
PROPOSED MINI-PARK / TOT LOT SITE IN THE 7TH STREET AREA
(Lot 11, Blk. 12, D.L. 28, PLAN 1716 - 7793 GRAHAM AVENUE

Appearing on the agenda for the 1978 April 10 Meeting of Council is a report on a proposed Mini-Park / Tot Lot site at 7793 Graham Avenue (Item 2, Report No. 28). In order for the financing to be authorized properly and in accordance with the attached memo dated 1978 April 03 from the Municipal Treasurer to the Director of Planning, the third recommendation in Item 2 should be deleted and replaced with the following:

- "3. THAT any proceeds derived from the sale of the house be placed in the Tax Sale Fund subject to the provision that a by-law will be brought down in the future to authorize payment for specific capital expenditures related to the Neighbourhood Improvement Program in accordance with the intent of Section 472 of the Municipal Act
or alternatively;

THAT any expenditure that is made to have this house demolished be debited to the Eastburn Neighbourhood Improvement Program funding account."

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ITEM 18 SUPPLEMENTARY
MANAGER'S REPORT NO. 28
COUNCIL MEETING 1978 04 10

153

CORPORATION OF THE DISTRICT OF COLUMBIA
INTER-OFFICE COMMUNICATION

TO: DIRECTOR OF PLANNING
FROM: MUNICIPAL TREASURER
SUBJECT: NIP PROGRAM

DEPARTMENT:
DEPARTMENT:

RECEIVED
1978 APR 04

MUNICIPAL MANAGER'S
OFFICE

DATE: 1978 04 03

OUR FILE # H57-1-1

YOUR FILE #

Rick Elligott has drawn my attention to the fact that we propose to sell certain buildings located on property purchased for NIP purposes. I have discussed this matter with Mr. Stirling and we have reached the conclusion that we must follow the direction of Section 472 of the Municipal Act, and place the funds in reserve as referred to in my memo. to the Municipal Manager of 1978 03 20.

B. S. M. J. C.
MUNICIPAL TREASURER

BM:aa.

cc: Municipal Manager
Parks and Recreation Administrator
Land Agent
Municipal Solicitor

1960

MUNICIPAL

CHAP. 255

Disposal of
proceeds of
sale of real
property.

Protection
of creditors.

472. (1) Subject to subsection (2), all moneys received from the sale of real property shall be placed to the credit of a special fund under Part VII.

(2) Where there remains any municipal debt incurred for the purchase or improvement of any real property, there shall be set aside the whole of the proceeds of the sale of such real property or such portion thereof as is required to repay the debt as it matures, together with interest. 1957, c. 42, s. 470.

SM 19 SUPPLEMENTARY
MANAGER'S REPORT NO. 22
COUNCIL MEETING 1978. 03. 20

ITEM 18 SUPPLEMENTARY
MANAGER'S REPORT NO. 28
COUNCIL MEETING 1978 04 10

RE: EAST BURNABY NEIGHBOURHOOD IMPROVEMENT PROGRAM
PROPOSED MINI PARK SITE AT 8190 - 14TH AVENUE
LOT 11, BLOCK 11, D.L. 27, PLAN 697
(Item 12, Report No. 22, 1978 March 20)

The following is a report from the Municipal Treasurer re the above.

This is for the information of Council.

* * * * *

Receipt

C
[Signature]

1978 March 20

File: H57-1-1

TO: MUNICIPAL MANAGER

FROM: MUNICIPAL TREASURER

RE: EAST BURNABY NEIGHBOURHOOD IMPROVEMENT PROGRAM
PROPOSED MINI PARK SITE AT 8190 - 14TH AVENUE
LOT 11, BLOCK 11, D.L. 27, PLAN 697
(Item 12, Report No. 22, 1978 March 20)

The above mentioned report recommends:

"That the Parks and Recreation Commission recommend to Council that the Land Agent be authorized to offer the Municipal property and building at 8190 - 14th Avenue for sale and that the revenue from the sale be returned to the East Burnaby Neighbourhood Improvement Program fund."

As the matter of depositing this money in the East Burnaby Neighbourhood Improvement Program fund will require further action on the part of Council, it would be well to acquaint Council now with the procedure that must be followed.

Section 472 of the Municipal Act reads:

- "(1) Subject to subsection (2), all moneys received from the sale of real property shall be placed to the credit of a special fund under Part VII.
- (2) Where there remains any municipal debt incurred for the purchase or improvement of any real property, there shall be set aside the whole of the proceeds of the sale of such real property or such portion thereof as is required to repay the debt as it matures, together with interest."

Part VII makes provision for:

1. Reserves for debt repayment.
2. Reserves for capital expenditures.
3. Reserves for depreciation of machinery and equipment.
4. Reserves for utility services.
5. A local improvement fund.

Strictly speaking, the only reserve appropriate to the transaction being reported herein is item 2 - reserves for capital expenditures. In accordance with Section 301 of the Municipal Act, the reserve must be established by by-law and expenditure therefrom must be authorized by by-law approved by the Minister of Municipal Affairs. However, from time to time Council buys land for assembly purposes for eventual resale and frequently consolidates this land with adjoining tax sale lands. In accordance with Section 304 of the Municipal Act, the proceeds from the sale of tax sale lands must go into a tax sale reserve. However, the apportioning of the proceeds between tax sale lands and lands acquired for assembly purposes is a time consuming task and, rather than spend this time, it has been our custom to deposit the proceeds of all land sales in the tax sale fund which, like a reserve created under Section 301, requires a by-law approved by the Minister of Municipal Affairs to permit expenditure for a capital purpose. This is quite permissive under Section 472.

Under the circumstances, when Lot 11, Block 11, D.L. 27, Plan 697, is sold, the proceeds should be placed in the tax sale fund, and subsequently a by-law should be brought down for a specific capital expenditure. The appropriate recommendation concerning this expenditure will be brought down when the time comes.

Submitted for the information of Council.

B. Smith
MUNICIPAL TREASURER

BM:gw

cc: Director of Planning
Land Agent
Parks & Recreation Administrator