

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

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.

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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.

  
MUNICIPAL TREASURER

BM:gw

cc: Director of Planning  
Land Agent  
Parks & Recreation Administrator