

ITEM	1
MANAGER'S REPORT NO.	81
COUNCIL MEETING	1979 11 26

RE: POLICY FOR MUNICIPAL LANDS DESIGNATED FOR PUBLIC USE -
POLICY FOR THE USE OF TAX SALE MONEYS RESERVE FUND AND THE
CAPITAL WORKS, MACHINERY AND EQUIPMENT RESERVE
(ITEM 11, REPORT NO. 14, 1979 FEBRUARY 19)

Following is a report from the Municipal Treasurer regarding the subject policies.

RECOMMENDATION:

1. THAT the recommendations of the Municipal Treasurer be adopted.

* * * * *

1979 November 15
File: C4-70

TO: MUNICIPAL MANAGER

FROM: MUNICIPAL TREASURER

RE: POLICY FOR MUNICIPAL LANDS DESIGNATED FOR PUBLIC USE -
POLICY FOR THE USE OF TAX SALE MONEYS RESERVE FUND AND THE
CAPITAL WORKS, MACHINERY AND EQUIPMENT RESERVE
(ITEM 11, REPORT NO. 14, 1979 FEBRUARY 19)

RECOMMENDATIONS

1. THAT tax sale lands be allocated to public use, as and when they are designated within an adopted Community Plan, and be turned over to the custody and control of the Parks and Recreation Commission, the Library Board or Municipal department, as the case may be, without charge to the annual budget as and when required for said public use; and
2. THAT the existing policy be affirmed wherein the proceeds from the sale of tax sale or Corporate lands, as the case may be, are used to finance specific land assembly and development programs or loaned to the Parks and Recreation Commission or the Library Board for the acquisition of lands when the Commission or Board annual budget allocations are insufficient for the purpose due to an unforeseen need to acquire said lands, to be repaid together with interest at the prevailing rate over a ten year period - such repayment to be placed in the Capital Works, Machinery and Equipment Reserve; and
3. THAT if a public space - parks, library or whatever, forms an integral part of a Municipal land development project, it be turned over to the Commission, Board or Municipal department concerned without charge, in the same manner that would happen if the development were privately owned. (In effect, the public space is part of the development expense of the project, recoverable in the sale of the land); and

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4. THAT when the future use of land being assembled from the Tax Sale Moneys Reserve Fund or the Capital Works, Machinery and Equipment Reserve is unclear at the time of purchase, the portions eventually coming into public use, with the exception of items falling within Recommendation No. 3, be charged to the Commission, Board or Municipal department concerned, together with interest at the prevailing rate over a ten year period, the repayment to be placed in the Capital Works, Machinery and Equipment Reserve, payments to commence with the year the land comes into public use or the year it is turned over to the custody and control of the Commission, Board or Municipal department concerned; and
5. THAT land the subject of Recommendation No. 4 be valued on the year of transfer to public use at its purchase price plus the prevailing interest rate accumulated to the year of transfer; and
6. THAT where tax sale lands given into the custody and control of the Parks and Recreation Commission or the Library Board become surplus to need, the said lands be returned to the inventory of tax sale lands; and
7. THAT where land purchased from funds allocated for the purpose becomes surplus and proceeds from its sale have been deposited in the Reserve for Capital Works, Machinery and Equipment, as the law requires, a credit be given to the land acquisition account of the Commission or the Board concerned, to be drawn by by-law as and when the need arises; and
8. THAT moneys advanced from the Tax Sale Moneys Reserve Fund or the Capital Works, Machinery and Equipment Reserve for the purchase of land for conservation areas be repaid by the annual Municipal budget separate and apart from the Parks and Recreation portion of the budget, together with interest at the prevailing rate over a ten year period; and
9. THAT the prevailing rate of interest referred to above be set at the bank prime rate less one percentage point prevailing on the first business day of January in the year concerned, recalculated annually; and
10. THAT individual properties listed on page 4 hereof be turned over to the custody and control of the Parks and Recreation Commission as and when required for parks or recreation purposes; and
11. THAT a copy of this report be sent to the Parks and Recreation Commission and the Library Board.

REPORT

Attached is a copy of the above mentioned report. Council tabled it for three weeks for a further report from the Treasurer. Unfortunately, it has taken some time to accumulate the required data and because of more pressing subjects to be dealt with, it has not been possible to report to Council before now.

PURPOSE OF THE RECOMMENDATIONS

The recommendations shown above are designed to:

1. & 10. Designate the properties shown on page 4 hereof for future parks and recreation use and as and when it becomes desirable to put individual properties to such use, transfer them to the custody

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and control of the Parks and Recreation Commission without charge to their annual budget. Also that in the future, when a tax sale property comes into use for a public purpose, no charge for its use be made to the annual budget. This is the reverse of existing Council policy wherein the annual budget of the department concerned must contain provision for the repayment to the Tax Sale Moneys Reserve Fund of the present day market value of the property, together with interest payable over a ten year period.

2. Affirm past practice whereby the proceeds from the sale of tax sale or Corporate lands be used to finance land assembly programs or loaned for the purchase of parks or library property and set up repayment terms.
3. Determine the disposal of public space, when created through subdivision of tax sale or Corporate lands.
4. & 5. Establish rules for the disposition of lands used for parks and recreation or library purposes when said land was purchased for some other purpose, or when the ultimate use of the land was unknown at the time of purchase.
6. & 7. Establish rules for the disposition of the proceeds from the sale of parks and recreation or library lands.
8. Establish the rate of interest chargeable on payments by the budget on the purchase of these lands.
8. & 9. Establish rules for the payment to the reserves for lands used for conservation purposes.

BACKGROUND

Currently it is the policy of Council to use the proceeds from the sale of tax sale or other real property as much as possible for the purchase and development of Municipal land assembly schemes. It is also the policy of Council to charge the budgets of the Parks and Recreation Commission, the Library Board and the Municipal departments concerned for Municipally owned lands turned over to the custody and control of the Parks and Recreation Commission, the Library Board or a Municipal department, as the case may be.

It has become evident that this latter policy is impracticable because the annual budget cannot absorb the large installments of principal and interest on lands to be turned over to parks and recreation use. For this reason, Recommendations Nos. 1 to 10 were put forth in the report of 1979 February 19. There are a number of circumstances in which Municipal property may be put to Municipal use, hence the need for the large number of recommendations.

Concerns expressed by Council, as taken from a transcript of the proceedings of 1979 February 19 and from conversations with Aldermen, are:

1. The report states that the tax sale properties have a book value of \$233,000 and an actual assessed value of \$64,000,000. Are these figures correct?

A. Yes, they are correct. The property was acquired mostly in the thirties and the \$233,000 represents the taxes outstanding at tax sale plus 5% as required by statute. The \$64,000,000 represents full value assessments of the year 1978. Likely the actual market value would be higher.

2. If the properties referred to in Recommendation No. 1 of the report are turned over to the Parks and Recreation Commission, what amount

of money by this action will not find its way into the Tax Sale Moneys Reserve Fund or the Reserve for Capital Works, Machinery and Equipment, as the case may be?

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A. The following statement shows the full value assessments of the lands that would be transferred to the Parks and Recreation Commission over a period of time:

		<u>Equity</u> \$	<u>1978</u> <u>Full Value</u> <u>Assessment</u> \$
1. Proposed district park adjacent to north side of Burnaby Mountain Golf Course		2,871.36	167,600.00
2. Lougheed-Bainbridge area: Proposed neighbourhood park	Included in the Park Sites reports of 1961 & 1967	190.00	130,680.00
3. Government Road area: Proposed neighbourhood park	Proposed as a park in the Park Sites reports of 1961 & 1967, and in the Northeast Burnaby Study of 1966. Revised subdivision plan being prepared to show site boundaries	198.63	196,360.00
4. Burnaby Lake Sports Complex	Area involved included in Council approved Development Concept (1976). Originally proposed as a logical extension of Burnaby Lake Park in the Pacific Sports Centre Study of 1965	5,607.05	2,104,800.00
5. Canada Way/Burris/Clayton/Sperling Community Plan Area	Included as park in a plan for the area which was approved by Council 1974 September 03	1,197.41	316,450.00
6a. Deer Lake Park Development Area A	Recreation area proposed in the Council approved Deer Lake Development Concept Report (1974) and, prior to that, in the Park Sites reports of 1961 & 1967	4,501.45	1,676,300.00
6b. Deer Lake Park Development Area		2,942.20	1,202,700.00
6c. Deer Lake Park Development Area	Deer Lake Report of 79 06 25	5,935.30	2,257,500.00
7. Big Bend Area Golf Course	Included in Big Bend Area Development Plan of 1972	1,060.03	399,050.00
8. Stride Avenue Ravine/Byrne Creek	Eastburn N.I.P. report by Council 79 08 13	<u>689.96</u>	<u>183,200.00</u>
TOTALS		<u>25,193.39</u>	<u>8,634,640.00</u>

In other words, over a period of time the Tax Sale Moneys/Reserve for Capital Works, Machinery and Equipment reserves would lose \$8,634,640, plus interest, for ten years. It would lose also the value of tax sale lands put to Municipal use in future years.

3. Why shouldn't the capital cost of these lands be charged to the Parks and Recreation projects without there being a charge to the annual budget?
 - A. The capital cost of tax sale lands is minimal and we do not charge the Parks and Recreation budget for it. Land values of Municipal property are not carried on the books of the Corporation at the cost of acquisition. Instead, they are carried at the assessed value as determined by the Assessment Authority, which is much more realistic.
4. Why don't we pay for the purchase of lands for all Municipal purposes out of one pot?
 - A. The reason for not doing so is that the responsibility for recommending the purchase rests with the Board, Commission or Municipal department concerned, and with it goes the responsibility for securing a budget.
5. Do we create legal problems for ourselves when we buy land for parks and recreation purposes rather than public purposes?
 - A. Very little land has been dedicated or reserved for parks purposes. What little there is would be most difficult to dispose of if it became desirable to do so. Most land purchased for parks and recreation or library purposes is registered in the name of the Corporation and may be sold without impediment if it became necessary.
6. Can we not repay the Tax Sale Moneys Reserve Fund for the properties put to public use by an annual charge to the budget over fifty years instead of ten as at present?
 - A. The present day value of the property concerned is \$8,634,640. Amortization over fifty years @ 9% would require an annual tax levy of \$787,711 as compared with a levy of \$1,345,480 over ten years. In fifty years the budget would contribute \$39,385,550 as compared with \$13,454,500 over ten years. This is not a practical solution.

This question is at the heart of the matter. Council is concerned that the Tax Sale Moneys Reserve Fund may dry up. Burnaby is fortunate in possessing lands secured through tax sale, mostly during the Depression years of the thirties. Much of it has been in areas of the community that were not easily developable, or in areas in need of redevelopment. For some years prior to 1970, Council had recognized that this land was an exhaustable resource and refused to sell it. They expressed preference for leasing it. As leasing this land could easily be shown to be impractical, staff came forward with the idea that we should sell land that we don't need and from the proceeds buy the land that we do need. Long before 1970, Council recognized the wisdom of assembling land as a planning device to steer development in the best interests of the community. The adoption of staff recommendations in 1970 gave tremendous impetus to these assembly schemes. The purpose is not to buy land for resale. The purpose is to help develop the community in the best interests of the community.

As and when lands assembled for a development purpose are complete, they can be offered for sale in a raw state subject to development in accordance with Municipal standards, or they can be serviced and sold. Council decided long ago that more funds could be generated by selling serviced lots rather than selling raw land. This, of course, ignores the cost of holding land, but this is the price the Municipality must pay for the privilege of developing land according to plan.

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When we started out, staff expected that the time would come when land that we don't need would be replaced by land that we do need. However, staff and members of Council soon realized that we had at our disposal a very powerful tool and that every effort should be made to see that funds kept rolling in, even to the extent of charging the taxpayers for land put to public use. This has proved to be impractical with lands originally secured through the tax sale process, although we propose to continue to charge the taxpayers for land that we find necessary to purchase from the Tax Sale Moneys Reserve Fund for a Municipal purpose. On the one hand, we are using a fund that belongs to the taxpayers - the Tax Sale Moneys Reserve Fund - to buy land and on the other, charging the tax rate to replace the money paid out. This is but an indirect way to create a reserve. What I am saying is that we could bypass this process by making provision for a contribution to the reserve, thereby ensuring that the reserve continues to be viable. However, this suffers from an accountability standpoint in that the department, Board or Commission concerned would not have to find the money for the purpose.

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To sum up, the time may come when the proceeds from the sale of Municipal lands may not be sufficient to carry out Council's plans for developing the land use configurations of the community. If that time comes, some other source of funds would need to be found. Nevertheless, at some point in time we should end up with an inventory of lands being put to Municipal purposes, plus a reserve of money that may be used by the Council of the day for some capital purpose, conditional, of course, that the recommended policies are still in force. In the meantime, we propose that:

- (1) We turn over to Municipal use tax sale lands as and when required, without charge to the annual budget of the Board, Commission or department concerned.
- (2) We charge the annual budget of the Board, Commission or department concerned for lands acquired from reserve funds, as and when put to a Municipal use, even though there may be a lapse in time between the purchase date of the property and the date of turnover.
- (3) We confirm the rules shown in the recommendations in this report concerning the disposition of lands in a variety of circumstances.

For information is attached a statement of transactions in the tax sale/property sale reserve since 1970 December 31. It shows a gradual buildup of year end balances of \$2,233,871 at 1970 December 31 to \$9,144,285 at 1979 October 01. The amounts shown under "By-laws - Other" are being repaid over a ten year period commencing with the year following the passage of each by-law. So long as these moneys are used to purchase land for resale or lands for which the annual budget makes repayment, it should sustain itself at about the level shown in the last three years. It will be supplemented by sale of tax sale lands from time to time.


MUNICIPAL TREASURER

BM:gw
Attach.

cc: Director of Planning
Parks & Recreation Administrator
Chief Librarian

THE CORPORATION OF THE DISTRICT OF BURNABY
ANALYSIS OF TAX SALE MONEYS RESERVE - CASH AND INVESTMENTS ON HAND
1970 TO 1979 OCTOBER 01

	REVENUE					EXPENDITURE		Closing Balance Dec. 31 \$
	Opening Balance Jan. 01 \$	Principal on Property Sales \$	Investment Income + Interest on Sales \$	Loan Repayments From General Revenue Fund \$	By-law No.	Land Acquisition & Development \$	By-laws - Other \$	
1970	1,670,273	630,472	130,601	192,525	5657 Fire Hall		390,000	2,233,871
1971	2,233,871	947,452	179,715	185,654	5830	226,756		3,319,936
1972	3,319,936	400,960	231,137	104,828	6040 Keswick 6091	206,575	568,970	3,281,316
1973	3,281,316	501,999	251,629	104,828	6282 6390	515,076 633,511		2,991,185
1974	2,991,185	1,078,040	247,465	104,828	6488 Fraser River parkstrip 6592 6591 Ron McLean Park	797,370 681,111	364,594	1,478,443
1975	1,478,443	2,846,783	401,433	171,475 276,835 Keswick	6714	1,268,111		3,600,918
1976	3,600,918	3,285,876 765,000 McGillivray	658,956	284,734 15,900 Keswick	6873	855,126		7,756,258
1977	7,756,258	2,941,007	720,805	267,610	7048 Canada Way overpass 7023 7139	2,370,732 2,153,073	105,059	7,056,816
1978	7,056,816	2,159,662	870,019	351,166	7210 7254 West Building	660,494	163,120	9,614,049
1979	9,614,049	1,544,946	924,975	370,846	7273 7348 7370	965,337 669,400 1,675,794		9,144,285 to Oct. 01
		<u>16,938,517</u>	<u>4,616,735</u>	<u>2,431,229</u>		<u>13,678,466</u>	<u>2,997,683</u>	

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RE: POLICY FOR MUNICIPAL LANDS DESIGNATED FOR PUBLIC USE -
POLICY FOR USE OF THE TAX SALE MONEYS RESERVE FUND AND THE
CAPITAL WORKS, MACHINERY AND EQUIPMENT RESERVE

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

It should be noted that adoption by Council of the recommendations contained therein will not preclude Council from allocating tax sale moneys or funds from the lands portion of the Capital Works, Machinery and Equipment Reserve for some other capital purpose should a good reason for doing so present itself.

RECOMMENDATION

1. THAT the recommendations of the Municipal Treasurer be adopted.

* * * * *

1979 February 12

TO: MUNICIPAL MANAGER
FROM: MUNICIPAL TREASURER

File: C4-70

RE: POLICY FOR MUNICIPAL LANDS DESIGNATED FOR PUBLIC USE -
POLICY FOR USE OF THE TAX SALE MONEYS RESERVE FUND AND THE
CAPITAL WORKS, MACHINERY AND EQUIPMENT RESERVE

RECOMMENDATIONS

1. THAT tax sale lands existing at the date of this report be allocated to public use, when designated within an adopted Community Plan, without payment for same being made from the annual budgets of the Parks and Recreation Commission, the Library Board or Municipal department, as the case may be; and
2. THAT the proceeds from the sale of tax sale or Corporate lands, as the case may be, be used to finance specific land assembly and development programs or loaned to the Parks and Recreation Commission or the Library Board for the acquisition of lands when the Commission or Board annual budget allocations are insufficient for the purpose due to an unforeseen need to acquire said lands, to be repaid together with interest at the prevailing rate over a ten year period - such repayment to be placed in the Capital Works, Machinery and Equipment Reserve; and

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3. THAT if a public space - parks, library or whatever, forms an integral part of a Municipal land development project, it be turned over to the Commission, Board or Municipal department concerned without charge, in the same manner that would happen if the development were privately owned. (In effect, the public space is part of the development expense of the project, recoverable in the sale of the land); and
4. THAT when the future use of land being assembled from the Tax Sale Moneys Reserve Fund or the Capital Works, Machinery and Equipment Reserve is unclear at the time of purchase, the portions eventually coming into public use, with the exception of items falling within recommendation No. 3, be charged to the Commission, Board or Municipal department concerned, together with interest at the prevailing rate over a ten year period, the repayment to be placed in the Capital Works, Machinery and Equipment Reserve, payments to commence with the year the land comes into public use or the year it is turned over to the custody and control of the Commission, Board or Municipal department concerned; and
5. THAT land the subject of recommendation No. 4 be valued on the year of transfer to public use at its purchase price plus the prevailing interest rate accumulated to the year of transfer; and
6. THAT where tax sale lands given into the custody and control of the Parks and Recreation Commission or the Library Board become surplus to need, the said lands be returned to the inventory of tax sale lands.
7. THAT where land is purchased from funds allocated for the purpose becomes surplus and the proceeds from its sale have been deposited in the Reserve for Capital Works, Machinery and Equipment, as the law requires, a credit be given to the land acquisition account of the Commission or the Board concerned to be drawn by by-law as and when the need arises.
8. THAT moneys advanced from the Tax Sale Moneys Reserve Fund or the Capital Works, Machinery and Equipment Reserve for the purchase of land for conservation areas be repaid by the annual Municipal budget separate and apart from the Parks and Recreation portion of the Budget, together with interest at the prevailing rate over a ten year period; and
9. THAT the prevailing rate of interest referred to above be set at the bank prime rate less one percentage point prevailing on the first business day of January in the year concerned, recalculated annually.
10. THAT a copy of this report be sent to the Parks and Recreation Commission and the Library Board.

REPORT

Background

This report deals with two closely related subjects:

1. Whether or not a charge should be made to the operating budgets of the Parks and Recreation Commission, the Library Board, or the Municipal Council when a piece of land obtained by the Municipality through the tax sale process or purchased with moneys from the Tax Sale Moneys Reserve Fund or the Capital Works, Machinery and Equipment Reserve, is turned over to the Commission, Board or Municipal Department for use by the public.

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2. For what purpose should the proceeds from the sale of tax sale lands set aside in the Tax Sale Moneys Reserve Fund, and the proceeds from the sale of Corporate lands set aside in the Capital Works, Machinery and Equipment Reserve, be used?

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Current Council policy with respect to Item 1, as established in 1974, is:

- (a) Municipally owned land is charged to a particular public project at its market value in order to ensure that, in considering sites for public projects, full consideration is given to alternate sites in relation to their highest and best use;
- (b) Where a parcel of land not designated for parks purposes is traded for a piece of land that is to be used for parks purposes and where the land to be acquired appears on the current approved list of lands to be acquired for parks purposes, Parks and Recreation Commission C.I.P. funds equivalent to the value assigned to the land being acquired, as determined by the trade transactions that have taken place, be transferred to the tax sale fund;
- (c) Where a parcel of land not designated for parks purposes is traded for a piece of land that is to be used for parks purposes and when the land to be acquired does not appear on the current approved list of lands to be acquired, the annual budget of the Parks and Recreation Commission be charged a sum annually for a period of ten years, large enough to liquidate the principal sum involved, together with interest;
- (d) That when a parcel of land not on the approved list of lands for parks purposes presents itself, subject to funds being available, an appropriation for its purchase should be made from the Tax Sale Moneys Reserve to be repaid annually over a period of ten years, together with interest at 6%, from the annual Parks and Recreation Commission budget.

The statutory requirements and current Council policy with respect to Item 2 are:

In accordance with Section 304 of the Municipal Act, all moneys received from the sale of tax sale properties shall be set aside in a reserve fund and may by by-law adopted by an affirmative vote of at least two-thirds of all the members of Council, subject to the approval of the Minister of Municipal Affairs, provide for the expenditure of such moneys, as follows:

- (a) for bringing the sinking funds up to requirement;
- (b) for reduction of debenture debt;
- (c) for capital expenditures;
- (d) for transfer to Debt Repayment Funds, a Reserve for Capital Works, Machinery and Equipment, a Reserve for Depreciation of Machinery and Equipment, a Reserve for Utility Services or a Local Improvement Fund pursuant to Divisions 2, 3 and 4 of Part VII of the Municipal Act;
- (e) for advancing moneys required for projects under Section 465 of the Municipal Act (land assembly schemes for development for residential, commercial or industrial purposes, jointly or separately);
- (f) for expenditures of a special nature.

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Burnaby's sinking funds have been kept up to requirement since 1942. Consequently, with one exception, Council has used tax sale moneys over the years exclusively for capital expenditures. The exception was the creation of the Local Improvement Fund.

At this point, it should be noted that all moneys received from the sale of tax sale lands must be set aside in a special reserve; it is not possible to deduct from the proceeds the costs incidental to the sale, such as advertising, Land Registry fees and the cost of services to put the land into a sale position. This situation pertains also in the sale of Corporate lands. If it becomes necessary to service the land from the proceeds of the sale thereof, it must be done by by-law.

In 1970, Council adopted a policy whereby a recognized land assembly and development program would be financed through the use of the Tax Sale Moneys Reserve Fund. Since then, with three exceptions, which were noted at the time the report was adopted, tax sale moneys have been used exclusively for the land assembly and development program. By informal agreement with the Minister of Municipal Affairs, land purchases and development costs are financed by the Municipality's general revenue fund, which is periodically reimbursed from the Tax Sale Moneys Reserve Fund on passage of the necessary by-law approved by the Minister.

In accordance with Section 472 of the Municipal Act, all moneys received from the sale of real property (distinct from tax sale lands) must be set aside in a special reserve under Part VII of the Municipal Act. As land assemblies are sold, the proceeds from the portions purchased by the Municipality, separate from the portions acquired through the tax sale process, must be set aside in a special reserve. For this reason, the Capital Works, Machinery and Equipment Reserve was established.

Approximately fifteen years ago, Council established a policy whereby money expended from the Tax Sale Moneys Reserve Fund would be repaid to the fund, together with interest, over five or ten year periods, as the case may be. The repayment comes from the annual Municipal budget and reflected in the Library or the Parks and Recreation, or some other portion of the budget, as the case may be. In other words, the Tax Sale Moneys Reserve Fund became a financing fund for the creation of capital works.

With the adoption by Council in 1970 of the policy whereby the land assembly and development program would be financed from the tax sale fund, the financing and revolving fund nature of the Tax Sale Moneys Reserve Fund continued. In other words, it became a powerful tool with which to guide the physical development of the community.

As and when lands to be used for parks and recreation purposes, financed through the Tax Sale Moneys Reserve Fund, were turned over to the custody and control of the Parks and Recreation Commission, either of two things happened. If the parks facility was created as part of land development, it was turned over to the Commission without charge, in the same manner that such a piece of land would be turned over by a private developer. Or, if it was purchased in advance of need, or incidental to the purchase of land for some other purpose, it was expected that the cost would be recovered from the annual Parks budget over a period of time commencing with the date the land was turned over to the custody and control of the Commission. Exceptions were purchases for conservation areas. While these areas are maintained by the Commission, they are not considered part of the parks system.

A recent change in practice is that land development expenditures may be made from either the Tax Sale Moneys Reserve Fund or the recently created Capital Works, Machinery and Equipment Reserve and in either instance, reimbursement of the moneys paid out is made to the Capital Works, Machinery and Equipment Reserve. In this, the Corporation is following the letter of the law.


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2. That the proceeds from the sale of tax sale lands be used for the purposes of the Municipality's land assembly and development program and, when necessary, to purchase lands for Municipal purposes, including parks and libraries. This would apply also to the lands portion of the Capital Works, Machinery and Equipment Reserve.

Lands assembled and developed by the Municipality are eventually sold. By this means, money is generated from time to time for use for further land assembly and development schemes. Moneys advanced for the purchase of lands for Parks and Library purposes are repaid. Moneys advanced for the purchase of conservation areas and land for other public purposes should also be repaid. To this end, the recommendations contained at the commencement of this report have been formulated.


MUNICIPAL TREASURER

BM:aa

cc: Chief Librarian
Director of Planning
Parks & Recreation Administrator