

This is a sample to support towns in developing a **Arrears Sales By-Law**.

As such, the information contained in this document is provided for information purposes only. Towns are required and/or permitted to enact by-laws and rules of procedure pursuant to applicable legislation and are wholly responsible for the content of said enactments. The content of this sample document is general in nature and is not intended to be relied upon as a substitute for legal advice on specific legal issues and/or factual circumstances and may not reflect the latest statutory or common law developments affecting such issues. Towns are encouraged to seek legal advice if necessary to ensure they meet any and all legal requirements as it relates to the enactment of by-laws or rules of procedure.

TOWN OF Community: Arrears Sales By-Law

1. Title

This By-Law is entitled the “Arrears Sales By-Law for the Town of **Community**.”

2. Authority

Whereas section [7\(1\)\(a\)](#) of the **Towns and Local Service District Act** (the ‘Act’) requires that every council adopt a by-law on arrears sales.

3. Definitions

- 3.1** “**Appellant**” means a person who files an appeal pursuant to section 5 of these by-laws.
- 3.2** “**Arrears Sale**” means the sale of real property by the Town of **Community** to recover unpaid real property taxes, utility fees, or local improvement fees related to the property.
- 3.3** “**Auction**” means a public auction conducted pursuant to section 3 of these by-laws.
- 3.4** “**Bidder**” means a member of the public in attendance in person at an Auction.
- 3.5** “**Council**” means the Town Council for the Town of **Community**.
- 3.6** “**Town Manager**” means the person appointed under section 58 of the Act.

4. Procedure

4.1 An Arrears Sale shall be conducted by a public auction at the time and in the place within the Town of **Community** referred to the advertisement issued under section 151(5) of the Act.

4.2 The Auction shall be conducted as follows:

4.2.1 Council may engage a professional auctioneer or other person to act as auctioneer, and in the absence of such person being engaged, the Town Manager shall be the auctioneer;

4.2.2 At the time advertised for the commencement of the Arrears Sale, the doors to the room in which the Auction is being conducted shall be secured so as to allow no new Bidders to enter;

4.2.3 The auctioneer shall identify the property available for sale by stating the civic address and the names of the owners identified on the tax roll, if any;

4.2.4 Where an Auction is being conducted pursuant to section 152 of the Act:

4.2.4.1 the auctioneer shall state the minimum bid for the property, being the amount equal to the outstanding taxes, fees and interest in respect of the property together with the expenses incidental to the Arrears Sale;

4.2.4.2 the auctioneer shall call for bids at the minimum bid and then in increasing increments of not less than \$ 100.00 until there is no Bidder for such increment; and

4.2.4.3 if, after calling three times for a higher bid no higher bid is made, the auctioneer shall declare the highest Bidder the successful purchaser of the property.

4.2.5 Where an Auction is being conducted pursuant to section 153 of the Act:

4.2.5.1 the auctioneer shall state the starting bid for the property, being the amount equal to the outstanding taxes, fees and interest in respect of the property together with the expenses incidental to the Arrears Sale;

4.2.5.2 the auctioneer shall call for bids at the starting bid and (x) if there is a bidder for such amount call for bids in increasing increments of not less than 100.00 until there is no Bidder for such increment, or (y) if there is no bidder for such starting bid call for bids in such increments as the auctioneer shall determine until there is a Bidder; and

4.2.5.3 if, after calling three times for a higher bid no higher bid is made, the auctioneer shall declare the highest Bidder the successful purchaser of the property.

5. Appeal

- 5.1** A person receiving notice of an Arrears Sale pursuant to section 151(1) of the Act may, within 14 days of service of the notice, file an appeal with the Town of **Community**.
- 5.2** An appeal under section 5 of these By-laws shall be in writing, setting out in detail the grounds for the appeal and including supporting documentation.
- 5.3** The appeal shall be a rehearing by Council of the decision taken under section 150 of Act and shall be considered at a special meeting of Council.
- 5.4** The Appellant may attend the special meeting of Council referred to in section 7 but shall have no right to make oral submissions at such meeting.
- 5.5** At the special meeting of council referred to in section 7, Council shall make one of the following decisions:
- 5.5.1** deny the appeal and direct that written reasons for the decision be provided to the Appellant;
- 5.5.2** allow the appeal and rescind the resolution directing the property be sold by arrears sale; or
- 5.5.3** require further information of the Appellant or staff and adjourn the meeting to a determined date.
- 5.6** Where an appeal has been filed, the property subject to the appeal shall not be advertised for sale at an Auction until the appeal has been decided.

6. General

- 6.1** In the case of any inconsistencies between the provisions of this by-law and the provisions of the Act, the provisions of the Act shall govern to the extent of such inconsistency.

7. Effective Date

- 7.1** These Regulations first came into effect on Month/Date/Year, through a resolution of Council and shall be binding upon all persons and permit holders within the jurisdiction of the Town of **Community**.

Official By-Law Information	
Date of Council Approval	
Resolution Number:	
Date of Advertisement	
I certify that the By-Law was approved by Council and published as indicated above.	
Town Mayor:	
Town Clerk:	
Date:	