

Infrastructure Services Report to
Infrastructure and Planning Committee
2026 March 11

ISC: UNRESTRICTED
IP2026-0214

Reserve Bids for Properties in the 2026 Real Estate Public Auction

PURPOSE

This report outlines the statutory requirements for the annual Real Estate Public Auction and describes The City's compassionate approach to working with property owners during the tax arrears process and seeks Council's direction on the properties and proposed reserve bids for inclusion in the 2026 Real Estate Public Auction.

PREVIOUS COUNCIL DIRECTION

Not Applicable

RECOMMENDATIONS:

That the Infrastructure and Planning Committee recommends that Council:

1. Authorize the Recommendations as outlined in Attachment 1; and
2. Approve the Reserve Bids for Properties in the 2026 Real Estate Public Auction as outlined in Attachment 3.

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

The General Manager, Infrastructure Services concurs with this report.

HIGHLIGHTS

- In keeping with the requirements of the *Municipal Government Act*, The City holds an annual public auction for properties or designed manufactured home for property tax arrears.
- The public auction plays an important role in enabling The City of Calgary to recover overdue property taxes that fund essential municipal services.
- Before the public auction, The City undertakes an extensive notification process, where Credit & Collections works compassionately and collaboratively with property owners to explore payment options and resolve outstanding tax arrears.
- The Real Estate Public Auction is used only as the last resort. Property owners have the right to pay all outstanding taxes up to the start of the auction and have the property removed from the sale.
- This year's public auction is scheduled for 2026 April 23 at 10 a.m. in the Municipal Complex.

DISCUSSION

The City of Calgary relies on property tax revenue to deliver services, maintain and build infrastructure, and support a high quality of life for residents and businesses. When property taxes remain unpaid over an extended period, the *Municipal Government Act* provides the legislated requirements for The City to recover tax arrears.

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Each year, The City conducts a Real Estate Public Auction for properties with long - standing tax arrears. Properties or designated manufactured homes become eligible for the auction after a tax notification or tax recovery lien has been registered on title. If the outstanding taxes are not paid within one year of the registration of a tax notification, the *Municipal Government Act* requires the property to be offered for sale at public auction.

Prior to advancing a property to auction, Credit & Collections within Finance Operations works extensively with property owners to resolve outstanding tax balances. Recognizing that property tax debt can be difficult for individuals, families, and businesses, Credit & Collections actively engages with owners whose taxes have been in arrears for more than one year and who may be at risk of tax recovery action.

Using a creative, compassionate, and collaborative approach, Credit & Collections explores customized payment options tailored to each owner's circumstances. In many cases, staff work directly with owners to establish structured payment plans that enable the successful recovery of outstanding taxes. Where no mortgage holder exists, owners may also enter into a memorandum agreement with The City to formalize repayment arrangements. When appropriate, owners may be referred to social support agencies for additional assistance. The Real Estate Public Auction is used strictly as a last resort. Property owners retain the right to pay all outstanding taxes up to the commencement of the auction, at which point the property is removed from the sale. Historically, very few properties proceed to auction as a result of the extensive efforts undertaken by Credit & Collections.

In accordance with the *Municipal Government Act*, Council must, by resolution, establish a minimum sale price (Reserve Bid) and any applicable conditions for each parcel offered for sale. The Sales & Acquisitions section of Real Estate & Development Services has reviewed the properties included in the 2026 Real Estate Public Auction and prepared a schedule of Reserve Bids representing the minimum acceptable sale prices, as provided in Attachment 3.

Properties that are not sold at the public auction may subsequently be made available for sale through The City's standard real estate disposition processes administered by Real Estate & Development Services.

Overall, The City remains committed to resolving outstanding property tax debts in a fair, compassionate, and responsible manner, while ensuring it can continue to fund essential services and infrastructure for the community.

Valuation

Administration has viewed all properties included in the Reserve Bid Listing (Attachment 3) and determined an estimate of market value to be used as the Reserve Bid for each parcel. The Reserve Bid represents the minimum bid that will be accepted for each parcel during the Real Estate Public Auction.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- Public engagement was undertaken Public/interested parties were informed

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- Dialogue with interested parties was undertaken Public communication or engagement was not required

As per the *Municipal Government Act* tax recovery notifications are registered on title and owner(s) are also notified directly that their property is on the tax arrears list.

The public auction will be advertised prior to the auction. This advertising is consistent with previous years and is a requirement pursuant to the *Municipal Government Act*.

IMPLICATIONS

Social

The Real Estate Public Auction is a required part of the tax collection process to ensure the payment of property taxes. Property taxes fund many municipal services to Calgarians and support Council priorities and policies.

Environmental

The properties will not be reviewed in accordance with The City's Sales, Acquisitions and Leases Environmental (S.A.L.E.) Policy as they will be sold "as is, where is".

Economic

Not Applicable

Service and Financial Implications

Other:

The net proceeds from any sale will be transferred to the Tax Forfeiture account. The previous owner(s) may then apply to the court to claim those proceeds. If proceeds are not claimed within 10 years from the date the property is sold as a tax forfeiture, The City may use the unclaimed funds for municipal purposes.

RISK

If Recommendations 1 and 2 are not approved, The City will not be in compliance with the requirements set forth in the *Municipal Government Act* regarding its obligations to establish the Reserve Bids for the 2026 Real Estate Public Auction and as a result would be unable to collect the tax arrears. The 2026 March 31 meeting of Infrastructure and Planning Committee is the final available opportunity to bring this report forward for Council approval prior to the 2026 April 23 date scheduled for the 2026 Real Estate Public Auction.

ATTACHMENTS

1. Recommendations
2. Public Sale of Property – Municipal Government Act
3. Reserve Bid Listing
4. Presentation

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Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Michael Thompson, General Manager	Infrastructure Services	Approve
Campbell Berry, Director	Real Estate & Development Services	Approve

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