



COUNCIL REPORT

Report Date: October 21, 2026
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Meeting Date: October 27, 2026
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TO: Vancouver City Council
FROM: General Manager of Finance and Supply Chain Management
SUBJECT: Cancellation of 2025 Tax Sale of 1208 – 1575 West 10th Avenue

Recommendation

THAT, in accordance with section 445 of the *Vancouver Charter*, Council hereby cancels the sale to the tax sale purchaser of the registered leasehold interest in the property known as 1208 - 1575 West 10th Avenue, Vancouver, BC and legally described as:

Parcel Identifier: 024-230-251

Legal Description:

STRATA LOT 81 DISTRICT LOT 526 GROUP 1 NEW WESTMINSTER
DISTRICT LEASEHOLD STRATA PLAN LMS3443 TOGETHER WITH AN
INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM 1,

due to a manifest error in the proceedings leading to the sale in the 2025 Property Tax Sale.

Purpose and Executive Summary

This report recommends that Council cancel the tax sale of a registered leasehold interest due to procedural issues with the 2025 Tax Sale. For this specific property, complexities related to the tax sale, as detailed in this report, resulted in the tax sale proceeding without providing adequate notice of the tax sale. The City was the tax sale purchaser of the leasehold interest, so cancellation of the tax sale does not impact other parties and will allow additional time for resolution of the outstanding tax balances and procedural issues related to the property.

Council Authority/Previous Decisions

The resolution is authorized by section 445 of the *Vancouver Charter*. Council declared a manifest error in relation to the same leasehold interest last year, on November 6, 2025.

City Manager's Comments

The City Manager recommends approval of the foregoing.

Context and Background

“Part XX – Real Property Taxation” of the VC requires the City to annually offer for sale, by public auction, real properties with unpaid property taxes that have been delinquent for two years. The detailed requirements are set out in sections 422 through 454 of the VC.

Section 445 of the VC provides that if Council is satisfied that a manifest error has occurred in the sale or the proceedings leading to the sale, Council may by resolution cancel the tax sale. A declaration of manifest error voids the tax sale of the property and restores the taxes owing. Section 445 of the VC is set out in Appendix “A”. The declaration must be made during the redemption period, which runs for one year from the tax sale and ends on November 12, 2026. The redemption period allows the owner of a property one year to pay the outstanding amount owing and keep their property. If a property is not redeemed during the one-year period, the property is transferred to the tax sale purchaser.

Discussion

Strategic Analysis

The City conducted its most recent annual tax sale on November 12, 2025. The tax sale included the auction of a leasehold interest in a property owned in fee simple by the Vancouver School Board, located at 1208 – 1575 West 10th Avenue, Vancouver, BC. The same property was the subject of a declaration of manifest error on November 6, 2025. The previous declaration was made primarily because the registered owner of the leasehold interest was deceased and had not been given notice of the impending tax sale. After the declaration of the manifest error, the property was mistakenly sold at tax sale again, the following week. This was done because the delinquent taxes were still owing. However, the property should not have been sold again because no notice was given to anyone with an interest in the property in advance of the tax sale, including the notices required under section 406 and 407 of the *Vancouver Charter*. Sections 406 and 407 of the *Vancouver Charter* are also set out in Appendix “A”.

No private purchaser is affected by the cancellation of the tax sale. The City was the tax sale purchaser in 2025. Under the VC, the City is deemed to be the tax sale purchaser when no other lawful bids are made, or another purchaser fails to make the minimum payment due at the time of the tax sale.

At the time of the tax sale on November 12, 2025, the full amount owing was \$169,271.06. One day after the tax sale of the property, the heir to the deceased leasehold owner paid most of the outstanding taxes, or \$156,393.90. This still left a shortfall, and further taxes are now due and owing. Staff will seek to take the necessary steps to recover the outstanding taxes in the future, but for now staff recommends that the tax sale be cancelled as a result of the procedural issues.

Any declaration or finding of a manifest error must be based on errors arising up to and including the sale of the leasehold Interest. The failure to notify of the impending tax sale preceded the tax sale, and amounts to a manifest error.

If Council approves the report recommendation, staff will not sell the property at this year's tax sale. Staff will also review its processes to avoid similar issues in the future.

Financial Implications

The City is required to return the upset price plus 6% interest to the tax sale purchaser. As noted, the City is the tax sale purchaser – so this is simply a notional cost.

Legal Implications

If Council adopts the recommended resolution in this report, Council will cancel the tax sale of a property because the proceedings leading to the sale involved a manifest error.

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APPENDIX A
SECTIONS 406, 407 and 455 OF THE VANCOUVER CHARTER

Warning of tax sale

406. If any taxes have been delinquent for a period of one year on real property subject to tax sale, the Collector shall cause a warning to be added to the relevant tax statement to the following effect: —

Taxes delinquent. This property will be sold for taxes in November of next year unless all taxes now delinquent for a period of one year are sooner paid.

Further warning of tax sale

407. If any taxes have been delinquent for a period of two years on real property subject to tax sale, the Collector shall cause a warning to be added to the relevant tax statement to the following effect: —

Taxes delinquent. This property will be sold for taxes in November of this year unless all taxes now delinquent for a period of two years are sooner paid.

Cancellation of sale for manifest error

445. (1) If, during the period of redemption, the Council is satisfied that a manifest error has taken place in the sale or in the proceedings leading to the sale, the Council may, by resolution and after giving notice to the purchaser, cancel the sale to that purchaser.

(2) If a sale is cancelled under subsection (1),

(a) the city shall return to the purchaser the upset price together with interest at the rate of 6% per year, and

(b) the taxes, as they appeared on the real-property tax roll before the sale, shall be restored to the roll as delinquent taxes.