

The Municipality of Grey Highlands is going to conduct a second tax sale for the Talisman Mountain Resort property in August.

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By Chris Fell - Tues May 28 2013

The Municipality of Grey Highlands is going to conduct a second tax sale for the Talisman Mountain Resort property in August.

Grey Highlands council at its regular meeting on Monday, May 27 approved a report from CAO Dan Best that recommended going ahead with another tax sale of the property.

Best informed council that the second tax sale is staff's preference for handling the matter. Grey Highlands could "vest" the property, take over ownership and market the Talisman lands through the traditional real estate transaction route.

However, Best said the second tax sale represents the best opportunity with the least risk for the municipality to recover the \$2.2 million in tax arrears it is owed.

"Our interest is to recover the \$2.2 million with the least amount of risk to the corporation and municipality as a whole," said Best. "We have to exhaust every other option before we go down the road of vesting," said the CAO.

Best said municipal staff believe the first tax sale of the Talisman property, which resulted in two smaller properties being sold, but the larger Resort property garnered no bids, failed because the general public wasn't convinced the municipality was going to go through with the sale. The initial tax sale was postponed once, which led to the perception that it might not happen.

Best said that is not going to happen this time. Grey Highlands council has rejected a request from the current ownership of Talisman to delay a tax sale for two years. The CAO said council has made it clear only the full payment of the amount owing will stop the process.

"Council took no action on the owner's proposal. That makes a large statement to those interested (in purchasing the property)," the CAO said. "There is slim to no chance we'll entertain a delay and slim has left town," Best added.

Treasurer Karmen Krueger concurred with the CAO.

"We have afforded the owner every opportunity to retain and control the property up to this point," said Krueger. "I can't see any scenario that would delay a tax sale at this point, short of them walking in with a cheque for \$2.2 million," said the Treasurer.

CAO Best said he understands the concerns of the public about the condition of the buildings on the Talisman property, but he said everybody involved had to start thinking about Talisman's future potential - not what it has been in the past.

"It's 212 acres of land. The value is not in the buildings; the value is in the property itself. People are getting caught up in the condition of the buildings," said Best. "Ten thousand dollars an acre for developable land in Beaver Valley is not a huge price," he said.

Councillor Paul Allen agreed.

"I've come to the conclusion that Talisman will never be a ski resort again," he said, noting that the conditions of the buildings and the current infrastructure make it difficult to see a viable operation up and running again. "There is equipment there that needs to be replaced. We need someone to come in and re-develop it, not refurbish what is there," said Allen.

Councillor Stewart Halliday opposed going to a second tax sale. He said the best opportunity for Grey Highlands was to find the right buyer for the property and to vest the property and go through a more standard real estate process.

"Theoretically with a tax sale someone with \$2.2 million in the bank could buy it and use it for their backyard and we would not be able to recover any economic benefit," said Halliday. "With a tax sale we give up the right to negotiate and lose the opportunity to decide who the purchaser is going to be," he said.

Council approved Best's reported in a 4-1 vote. Deputy Mayor Paul McQueen and councillor Dave Clarke were absent.

He said municipal staff would proceed immediately with plans for the actual tax sale to occur in August. The municipality has a number of notice requirements it must meet in order to move forward with the tax sale process.

(Read Hilton's note: Tax Sale Bids to be opened Mon Aug 12th, per the Owen Sound Sun Times article).