



Subject: Proposed Pilot of Annual Property Tax Sale via a Tender Bidding Process
To: Corporate and Residential Services Committee
Date Prepared: September 9, 2026
Related Motions: None
Prepared by: Wade Tattrie, CPA, CA, Director of Finance; Geoff MacDonald, CPA, Manager of Accounting
Approved by: Kim Ramsay, CPA, CMA, Chief Administrative Officer

Summary

Staff are recommending to Council that the 2027 annual property tax sale be changed to a sealed tender bidding process (from the current format of an in-person auction). This 2027 pilot would be used to determine the method of future annual tax sales.

Financial Impact Statement

All incremental direct costs related to the operation of a tax sale are recovered through charges placed proportionately on each property and no costs are borne by the municipality.

Recommendation

Staff recommend that the Corporate and Residential Services Committee recommend to Council that the format of the 2027 annual property tax sale be changed from an in-person auction to a sealed tender bidding process. This 2027 pilot would be used to assist in determining the methodology to be used in future annual tax sales.

Recommended Motion

Move that the Corporate and Residential Services Committee recommend that Council change the format of the 2027 annual property tax sale from a live in person auction to a sealed bid tender system. And that tenders are to be opened in a meeting open to the public, and that staff are to report back to Council on the outcome of this trial and make a recommendation whether future tax sales to continue via a sealed tender bidding process or to revert to in-person auctions.

Background

Section 141(2) of the Municipal Government Act states “The treasurer may, with the consent of the council, call tenders for property rather than put the property up for sale at public auction”. The annual property tax sale for East Hants has been carried out as an in person auction each June in Council Chambers. Due to the increased interest and demand for property in Nova Scotia over the past few years, there has been an increase in the interest for tax sale properties. Due to the increased demand, the present location of the tax sale auction in Council Chambers is reaching capacity for patrons, and staff have had to bring in additional resources to manage crowds.

Discussion

The past three tax sales have reached over 80% of the capacity of Council Chambers and Room 168 has been used as overflow for attendees. During the 2026 tax sale, only registered bidders were allowed into the Council Chambers room (where the auction was held). With increases in attendees, additional staff and security

resources have been deployed. The large number of patrons has also been disruptive to the building staff and tenants and have put a strain on parking.

With the increase in attendees and high-volume cash transactions taking place, it has put heightened need in place for additional security resources. The increase in attendance has also required an increase in preparation time for the auction, with key staff spending 20 to 30 hours preparing for the auction and ensuring all contingencies are in place ahead of the auction.

Staff have consulted with many other municipal units in the province to determine which have switched to a tender system and what their feedback is. Of the units that responded, 30 are still holding in person auctions while 11 have moved to a tender based system (See Table 2). One of the 30 municipalities has indicated they are considering moving to a tender system in 2027. Of the 30 still holding in person auctions, 7 have not held an auction in the last 3 to 7 years. The following have been identified as pros and cons by other municipal units:

In Person Auction

Pros:

- Potentially attracts higher bids (municipality is not the benefactor of the tax sale proceeds unless unclaimed for 20 years)
- Process may be perceived as more transparent

Cons:

- Significant use of staff time to prepare and carry out auction
- Limited space available, larger venue needed
- Large volumes of cash being received create a security risk for staff
- Increased costs borne by purchasers or owners paying off amounts owing

Tender System

Pros:

- Far fewer staff resources needed to carry out process (and these resources used elsewhere)
- Transparency for units that allow the bid opening process to be viewed by public
- Tax sales can be arranged any time of year including winter dates without the risk of being cancelled due to storms/weather.
- Less overall costs involved than an in-person auction
- Allows bids to be submitted in advance by those not able to attend an in-person auction (due to various reasons such as work schedule or distance).
- Gives the option to easily bid on multiple properties

Cons:

- Can get a high volume of bids that require a time to open and review
- People with right of redemption or interest in the property don't get the chance to ask people at an in-person auction to forgo bids as they are trying to clear title via tax sale. Note this has not happened recently at East Hants tax sale auctions.
- If not allowing the viewing of opening of bids by the public, there is less transparency.

A tender system would allow bidders to submit their bid at any time up to the closing date for bids. It would require significantly less resources from staff, going from having up to 10 staff involved the day of the auction down to as few as 3. In the initial year, additional staff resources would be required to make changes to the process, however, once complete, much less staff resources would be required to complete the tender process when compared to the in-person auction once appropriate processes and procedures are in place

Alternatives

Make no changes and continue forward with the in-person auction.

Table 1
East Hants Tax Sale Summary 2020 to 2026:

Tax Sale Year	Number of Properties	\$ Amount Collected
2020	0	\$0.00
2021	0	\$0.00
2022	6	\$226,222.58
2023	0	\$0.00
2024	7	\$319,100.00
2025	0	\$0.00
2026	5	\$380,209.10
Total	18	\$925,531.68

Table 2
Municipal Responses to Whether Using Tendering or Not (for Tax Sales)

Municipality	District Municipality	tender system
Halifax	Regonal Municipality	yes
Queens	Regonal Municipality	yes
Pictou	County Municipality	yes
Digby	District Municipality	yes
Lunenburg	District Municipality	yes
Annapolis Royal	Town	yes
Digby	Town	yes
Stewiacke	Town	yes
Truro	Town	yes
Barrington	District Municipality	yes
Westville	Town	yes
Cape Breaton	Regonal Municipality	no
West Hants	Regonal Municipality	no
Annapolis	County Municipality	no
Antigonish	County Municipality	no
Colchester	County Municipality	no
Cumberland	County Municipality	no
Inverness	County Municipality	no
Kings	County Municipality	no
Richmond	County Municipality	no
Victoria	County Municipality	no
Argle	District Municipality	no
Chester	District Municipality	no
Clare	District Municipality	no
East Hants	District Municipality	no
Guysborough	District Municipality	no
Yarmouth	District Municipality	no
Amherst	Town	no
Clark's Harbour	Town	no
Lockeport	Town	no
Middleton	Town	no
New Glasgow	Town	no
Oxford	Town	no
Pictou	Town	no
Port Hawkesbury	Town	no
Shelburne	Town	no
Stellarton	Town	no
Trenton	Town	no
Wolfville	Town	no
Yarmouth	Town	no
Lunenburg	Town	no