



Est. 1873

REPORT TO MAYOR AND COUNCIL

PRESENTED:	JULY 8, 2019 - REGULAR AFTERNOON MEETING	REPORT:	19-113
FROM:	COMMUNITY DEVELOPMENT DIVISION	FILE:	6480-30-001
SUBJECT:	WILLOUGHBY ARTERIAL ROAD COMPLETION AMENITY POLICY		

RECOMMENDATION:

That Council receive the Willoughby Arterial Road Completion Amenity Policy report for information.

EXECUTIVE SUMMARY:

Exploring options for different funding models for major road completion, particularly in the growing community of Willoughby, has been identified as a strategic priority of Council. At its Regular Evening Meeting on April 15, 2019, Council directed staff to complete an analysis and report on the implications of a new proposed transportation amenity policy, based on a memorandum, dated April 8, 2019, submitted by Councillor Woodward. The memorandum identifies the following sections of arterial roads in Willoughby as forming the basis of a proposed target amenity contribution:

- 208 Street from 68 Avenue to 76 Avenue,
- 80 Avenue from 200 Street to 208 Street,
- 202A Street from 72 Avenue to 80 Avenue,
- 80 Avenue from 212 Street to 216 Street,
- 212 Street Connector from 208 Street to 80 Avenue,
- 86 Avenue from 201 Street to 202 Street,
- 200 Street from 72 Avenue to 80 Avenue, and
- 200 Street from 66 Avenue to 68 Avenue.

Based on the above, it is estimated that approximately 16 acres of land would have to be acquired to facilitate completion of the identified sections of roads to current standards. Using an estimated average market value of \$3.2 million per acre, the total land cost would be approximately \$57 million, including 'soft' costs, but excluding borrowing or expropriation costs, if needed. Approximately 900 acres of developable land would be subject to a target contribution amount towards the completion of the amenity. The target contribution amount would therefore be approximately \$63,000 per developable acre, subject to further refinement, confirmation and analysis, if directed by Council.

Provincial legislation empowers municipalities to impose requirements for development applications, primarily at the rezoning stage. The proposed amenity contribution would have financial, technical and policy implications as outlined in this report. Should Council wish to direct staff to proceed with the development of a policy to facilitate the proposed amenity, it is recommended that engagement with the community at-large and the development industry be included as part of the initial work program. Further, it should be noted that borrowing for both the land (CACs) and the construction (DCCs) components will be required, should Council wish to proceed with construction of the identified road sections within the next 2 -3 years as outlined in the Implications section of this report.

PURPOSE:

This report is in response to Council direction and provides analytical information, including implications, relating to a proposal for the introduction of a new amenity policy intended to facilitate completion of key arterial roads in Willoughby and potential replication elsewhere.

BACKGROUND/HISTORY:

At its Regular Afternoon Meeting on February 25, 2019, Council confirmed the top six strategic priorities, which included exploring options for alternate major road funding models.

On April 8, 2019, Councillor Woodward submitted a memorandum to Mayor and Council, a copy of which is presented as Attachment A to this report, presenting a new proposed approach to facilitate completion of key sections of the arterial road network in the growing community of Willoughby, with the potential to adopt a similar model for completing key sections of the arterial road network in other parts of the community such as Brookwood-Fernridge.

Subsequently, at its Regular Evening Meeting on April 15, 2019, Council passed the following resolution:

“That staff be directed, as soon as practical, to complete an analysis, report and presentation to Council reviewing the memorandum to Council dated April 8, 2019, and the implications of adopting a new Willoughby Arterial Road Completion Amenity Policy.”

DISCUSSION/ANALYSIS:

The April 8, 2019 memorandum from Councillor Woodward to Mayor and Council describes the current approach to building and completing arterial roads, outlines what is described as the core problem of the current approach, and proposes a solution.

The proposed solution is based on general provisions of the Local Government Act, which enable municipalities to consider amenity contributions from those seeking a change in zoning. Although not specifically recognized in the provincial legislations, zoning bylaws may include options for Council consideration of additional (often referred to as “bonus”) density, subject to specific conditions, which can include provision of community amenities or contributions towards such amenities.

The Local Government Act empowers municipalities to impose requirements for development applications, typically obtained as part of a rezoning process when an owner of land seeks to change permitted uses. Provincial legislation also allows local governments to impose Development Cost Charges (DCCs) for certain off-site services, namely, water, sewer, drainage and roads and park land. Increasingly, local governments are relying on the rezoning process to secure affordable housing, and contributions towards recreation facilities and other community amenities that cannot be funded through DCCs. Although not specifically recognized in the provincial legislations, zoning bylaws may include options for Council consideration of additional (often referred to as “bonus”) density subject to specific conditions, which can include provision of amenities.

Generally referred to as Community Amenity Contributions (CACs), such negotiated considerations may be used to assist with the capital cost of infrastructure not covered by Development Cost Charges (DCCs), including fire halls, recreation centres or libraries. Utilizing CACs, existing residents, who are often concerned about negative impacts of new development, can see tangible benefits from development to higher densities than otherwise permitted as part of a rezoning process, to such forms as townhouses and apartments. The Township has put in place greenway amenity policies to obtain quality public spaces and greenways in various Willoughby neighbourhoods since 2007.

However, it is noted that the proposed policy is intended to be structured for application to certain (not all) lands within a defined geographic area. This differs from the existing greenway amenity policies currently applicable to all lands in various neighbourhood plan areas in Willoughby,

The proposed policy would provide for reimbursement of land costs as part of the development process to those property owners with parcels fronting the referenced road sections commensurate with calculations used in the policy. The following sections discuss (a) identification of the proposed amenity, (b) estimation of land area and associated costs of the amenity, (c) definition of developable land that would be subject to a target contribution amount in relation with the amenity, and (d) estimation of the target contribution amount on a per developable unit area basis.

(a) Identification of the Amenity

The proposed solution considers arterial roads as a community amenity, which includes a list of priority major road sections for completion in Willoughby and Willowbrook. Attachment B shows a map of these priority major road sections, listed as follows:

- 208 Street from 68 Avenue to 76 Avenue,
- 80 Avenue from 200 Street to 208 Street,
- 202A Street from 72 Avenue to 80 Avenue,
- 80 Avenue from 216 Street to 212 Street,
- 212 Street Connector from 208 Street to 80 Avenue,
- 86 Avenue from 201 Street to 202 Street,
- 200 Street from 72 Avenue to 80 Avenue, and
- 200 Street from 66 Avenue to 68 Avenue.

(b) Estimation of Land Area and Associated Costs

Based on the ultimate width and net of the existing built portion of these major roads, it is estimated that approximately 16 acres of additional land would be required to complete construction of the identified sections of roads to prescribed standards.

Using an estimated current average market value of \$3.2 million per acre, the total land cost would hence be approximately \$52 million (excludes administrative costs – see below). Attachment C provides detailed calculation of estimated land area and land costs. The estimated numbers are high-level order-of-magnitude, presented for discussion purposes. Assumptions include acquisition cost of entire lot, say 5 acres in size, being the same as portions of land, say 1,000 m² (+/- 11,000 ft²), to facilitate proposed road construction. The estimation does not include street greenways along the identified sections of arterial roads, as they are subject to the applicable greenway amenity policies, which may trigger the need for other interim facilities to accommodate pedestrian connectivity, etc.

(c) Estimation of Development Area

The next step of the analysis estimates the developable land that would be subject to a target contribution amount towards the completion of the amenity. Developable land does not include areas that are:

- already developed (i.e. not likely to be subject of rezoning application in medium term),
- below the top-of-bank of streams (i.e. protected and not developable),
- within the Streamside Protection and Enhancement Areas (i.e. not developable), and
- under development application (i.e. in-stream and anticipated to proceed to completion).

Based on the above, approximately 900 acres of developable land would be subject to a target contribution amount towards the completion of the amenity. Attachment D is a map of properties that would be subject to a target contribution amount.

(d) Estimation of the Target Contribution Amount

Based on the preceding discussion and analysis, the target contribution amount for the proposed amenity is estimated at approximately \$63,000 per developable acre; calculated as \$57 million estimated for the overall cost of the proposed amenity (see section (b) above) divided by 900 acres of land (see section (c) above).

The above estimate focuses on land cost, but also includes a provision for other (“soft”) or administrative costs, such as property negotiation, commission, land survey, and land conveyance estimated at 10%. However, there has been no allowance made for interest charges related to borrowing. It is important to note that as it will take some time to build the amenity fund

and collect sufficient funds to proceed with construction, some borrowing would be necessary. Also not included in the estimated costs used for the purposes of this high-level analysis are potential expropriation costs which are projected to increase costs by an additional 10%.

All the identified major road sections are included in the proposed 2019 DCC program. Accordingly, design and construction costs for these major road sections were not included to avoid double counting. An exception to this is the 212 Street Connector from 208 Street to 80 Avenue, where not all associated costs have been included in the DCC program, based on the protocol assumption that the “base” component of the construction costs would have to be borne by the fronting developer, with the DCC program covering the oversizing costs only.

Having said that, there may be a need for currently unanticipated interim improvements beyond the road works identified, such as temporary pedestrian facilities, and lighting, etc. costs of which have not been included in the calculation of the proposed amenity fee.

COMMUNITY IMPLICATIONS:

The proposal could have positive implications for the community. More specifically, it would eliminate the temporary gaps identified in the key major arterial road sections in Willoughby, which would assist with reducing traffic congestion and idling, thereby theoretically contributing to lower overall carbon emissions. In addition, the proposal, as envisioned, would provide for enhanced pedestrian connectivity with completion of sidewalks.

If not structured carefully, CACs can have the potential of decreasing supply of new housing and lead to increases in housing prices. It is important, therefore, to recognize the relationship between CACs and housing affordability and make efforts to balance the opportunity to obtain public benefits, such as community amenities, with the goal of helping families secure affordable housing. It is anticipated that the proposed policy, if adopted, would have an impact, by exerting downward pressure, on land values.

If successful in achieving the anticipated objectives, the same model could be applied to facilitate widening of major roads in other growing areas, such as Brookwood-Fernridge, in conjunction with, or prior to, full development.

TECHNICAL IMPLICATIONS:

Co-ordination of other infrastructure works, particularly underground utilities pose significant implications that must also be borne in mind. The Township currently co-ordinates the timing, design and construction of infrastructure, such as roads, storm sewer, sanitary sewer, water system and external utilities such as hydro and telephone servicing. Co-ordination includes administration of a financial system to collect and reimburse funds as prescribed by the Local Government Act and provisions in the DCC bylaw, if applicable, as well as design and physical construction of such services. Advancing road construction ahead of installation of other infrastructure would trigger the need for additional funding to repave roads after the underground services have been installed. Further, there will be significant impact to the community with the inability to coordinate such works.

LEGAL IMPLICATIONS:

Based on legal input a Phased Development Agreement (PDA) would likely be used as the implementation tool for the acquisition of the amenity fees, which requires preparation of the PDA and a bylaw (including a Public Hearing) as part of the approvals process.

FINANCIAL IMPLICATIONS:

Noting that the subject policy is intended to assist with land acquisition costs, borrowing may be necessary, should Council wish to proceed with partial, or complete, construction of the identified road sections, relating to actual constructions costs, currently included in the DCC program. The potential approximate land acquisition and construction costs related to the identified road sections can hence be summarized in Table 1 below:

Table 1

Road	Segment	Estimated Land Cost (CACs)		Estimated Const. Cost		Total Costs
		Land	Soft (10%)	DCC	Non-DCC	
208 St.	68 to 76	\$17,000,000	\$1,700,000	\$5,800,000	-	\$22,800,000
80 Ave.	200 to 208	\$5,800,000	\$580,000	\$5,600,000	-	\$11,400,000
202A St.	72 to 80	\$5,800,000	\$580,000	\$4,000,000	-	\$9,800,000
80 Ave.	212 to 216	\$1,600,000	\$160,000	\$3,400,000	-	\$5,000,000
212 St. Conn.	208 to 80	\$9,300,000	\$930,000	\$6,600,000	\$6,400,000	\$22,300,000
86 Ave.	201 to 202	\$800,000	\$80,000	\$800,000	-	\$1,600,000
200 St.	72 to 80	\$8,200,000	\$820,000	\$6,300,000	-	\$14,500,000
200 St.	66 to 68	\$3,900,000	\$390,000	\$1,500,000	-	\$5,400,000
Total		\$52,400,000	\$5,240,000	\$34,000,000	\$6,400,000	\$98,040,000*

NOTE:

* Estimate does not include potential borrowing costs and expropriation costs, if needed.

Following table summarizes current and proposed CAC and DCC charges per dwelling unit for each of the various types of residential development in the Township of Langley:

Table 2

Type of Charge	Type of Residential Development			
	Res. 1 (<15 u/ha)	Res. 2 (15-44 u/ha)	Res. 3 (44-74 u/ha)	Res. 4 (>74 u/ha)
Greenway Amenity ¹	\$33,000	\$16,500	\$8,300	\$4,200
CAC ²	\$5,673	\$4,814	\$3,782	\$2,923
DCC ³	\$49,564	\$41,231	\$33,659	\$27,458
MV DCCs ⁴	\$5,428	\$4,695	\$3,530	\$3,530
SSAC ⁵	\$738	\$664	\$590	\$590
TOTAL PER UNIT	\$94,403	\$67,904	\$49,861	\$38,701

NOTES:

- 1 Based on average of various greenway amenity charges currently applicable in Willoughby.
- 2 Based on Community Amenity Contribution Policy adopted by Council in July 2018 applicable in 2019.
- 3 Based on Development Cost Charges bylaw given 3 readings by Council at its meeting on June 10, 2019.
- 4 Based on 2019 regional (GVS & DD) Development Cost Charges.
- 5 Based on current School Site Acquisition Charges (SSACs) for Langley School District.

It should be noted that a policy, as contemplated in this report, would require a number of years (projected at 2 -3 years based on current development trends), subject to market conditions, following Council adoption, to accrue sufficient funding to facilitate the necessary land acquisition. Accordingly, should Council wish to proceed with the completion of the identified road segments within the next 2 - 3 years, borrowing in the estimated amount of \$57 million would be necessary. A reduced amount may need to be borrowed, should Council deem it desirable to proceed with some (not all) of the identified road sections, based also on the 'self-replenished' model of the proposed amenity fund.

If the Township were to proceed with the acquisitions prior to the anticipated CAC funds become available, potential borrowing process scenario is anticipated to be as outlined in table 3 below:

Table 3

20 Year Term	Estimated Annual Debt Payments:	3,728,695	<i>3% Capitalization Rate</i>		
	Estimated Property Tax Increase:	2.94%	<i>S/F Factor:</i>		
Principal:	57,000,000	Interest Rate:	2.82%	<i>0.037215708</i>	
	Estimated Principal Payment	Estimated Interest Payment	Estimated Total Payment	Estimated Actuarial	Reducing Balance
					57,000,000
Yr 1 Semi Annual		803,700	803,700		57,000,000
Yr 1 Annual	2,121,295	803,700	2,924,995		54,878,705
Yr 2 Semi Annual		803,700	803,700		54,878,705
Yr 2 Annual	2,121,295	803,700	2,924,995	63,639	52,693,770
Yr 3 Semi Annual		803,700	803,700		52,693,770
Yr 3 Annual	2,121,295	803,700	2,924,995	129,187	50,443,288
Yr 4 Semi Annual		803,700	803,700		50,443,288
Yr 4 Annual	2,121,295	803,700	2,924,995	196,701	48,125,292
Yr 5 Semi Annual		803,700	803,700		48,125,292
Yr 5 Annual	2,121,295	803,700	2,924,995	266,241	45,737,755
Yr 6 Semi Annual		803,700	803,700		45,737,755
Yr 6 Annual	2,121,295	803,700	2,924,995	337,867	43,278,592
Yr 7 Semi Annual		803,700	803,700		43,278,592
Yr 7 Annual	2,121,295	803,700	2,924,995	411,642	40,745,655
Yr 8 Semi Annual		803,700	803,700		40,745,655
Yr 8 Annual	2,121,295	803,700	2,924,995	487,630	38,136,729
Yr 9 Semi Annual		803,700	803,700		38,136,729
Yr 9 Annual	2,121,295	803,700	2,924,995	565,898	35,449,536
Yr 10 Semi Annual		803,700	803,700		35,449,536
Yr 10 Annual	2,121,295	803,700	2,924,995	646,514	32,681,726
Yr 11 Semi Annual		803,700	803,700		32,681,726
Yr 11 Annual	2,121,295	803,700	2,924,995	729,548	29,830,883
Yr 12 Semi Annual		803,700	803,700		29,830,883
Yr 12 Annual	2,121,295	803,700	2,924,995	815,074	26,894,514
Yr 13 Semi Annual		803,700	803,700		26,894,514
Yr 13 Annual	2,121,295	803,700	2,924,995	903,165	23,870,054
Yr 14 Semi Annual		803,700	803,700		23,870,054
Yr 14 Annual	2,121,295	803,700	2,924,995	993,898	20,754,860
Yr 15 Semi Annual		803,700	803,700		20,754,860
Yr 15 Annual	2,121,295	803,700	2,924,995	1,087,354	17,546,211
Yr 16 Semi Annual		803,700	803,700		17,546,211
Yr 16 Annual	2,121,295	803,700	2,924,995	1,183,614	14,241,302
Yr 17 Semi Annual		803,700	803,700		14,241,302
Yr 17 Annual	2,121,295	803,700	2,924,995	1,282,761	10,837,245
Yr 18 Semi Annual		803,700	803,700		10,837,245
Yr 18 Annual	2,121,295	803,700	2,924,995	1,384,883	7,331,068
Yr 19 Semi Annual		803,700	803,700		7,331,068
Yr 19 Annual	2,121,295	803,700	2,924,995	1,490,068	3,719,704
Yr 20 Semi Annual		803,700	803,700		3,719,704
Yr 20 Annual	2,121,295	803,700	2,924,995	1,598,409	-0
TOTALS:	42,425,907	32,148,000	74,573,907	14,574,093	

NOTES:

1. Estimated payment schedule is based on current indicative market rates
2. Rates provided for analytical and illustrative purposes only and may not be available for actual borrowing.

The Township has the ability to change the payment source, however the source for debt repayment financing must be determined if and when provincial approval of the borrowing is being sought. Depending on how long it might take for the amenity contributions to accumulate to the required levels, the annual debt payment could be mitigated by examining few alternative funding sources. An item that could be reviewed includes possible re-allocation of transfer to reserves. This includes contribution to capital and transfer to capital infrastructure renewal reserves. As shown in the above table, for illustrative purposes, annual debt payment would be approximately \$3.7M, equivalent to a 2.94% tax increase.

The proposed solution would pose significant financial implications on the development industry. As a delegation at the Regular Afternoon Meeting of Council on May 27, 2019, representatives of the Urban Development Institute (UDI) emphasized the importance of collaboration between the Township and the development industry on key issues related to housing and development. Also, at the May 30, 2019 Langley Liaison Committee Meeting, UDI members reiterated the need for consultation on initiatives that would impact the industry and delivery of affordable housing.

Should Council wish to direct staff to proceed with the preparation of a policy based on the proposed approach, it is recommended that engagement with the community at-large and the development industry be included as part of the work program.

Respectfully submitted,

Ramin Seifi
GENERAL MANAGER
for
ENGINEERING AND COMMUNITY DEVELOPMENT DIVISION

This report has been prepared in consultation with the following listed departments.

CONCURRENCES	
Division / Department	Name
Finance Division	S. Nam

ATTACHMENT A Councillor Woodward's Memorandum dated April 8, 2019

ATTACHMENT B Map of Priority Major Road Sections

ATTACHMENT C Estimation of Land Area and Land Cost

ATTACHMENT D Map of Properties Subject to a Target Contribution Amount

A REAL PLAN TO FINISH 208th STREET

AND OTHER MAJOR ROADS IN WILLOUGHBY

Without policy reform, there is no prospect for completion of the arterial road network until the very end of greenfield development, projected to be another 20 years. **We must act now.**

KEY POINTS

- We now have 30,000 residents within Willoughby, and up to another 30,000 residents in adjacent communities, that cannot adequately get around within, or through, Willoughby. We have incomplete sidewalk connections for kids to get to school, or local parks.
- Development must pay for development. We must not allow any possibility where this cost burden may have to be shifted to taxpaying residents in the form of increased residential property taxes.
- Approximately 1,400 greenfield developable acres remain in Willoughby. The Township of Langley can still reform its current financial model for arterial road provision to ensure it is sufficient to complete the network before development is 100% complete, which could take decades.
- The Township of Langley's Development Cost Charges (DCCs) program does not account for land acquisition cost, in terms of completing portions of the arterial road network in advance of development. We must address land acquisition costs separate from the normal course of development.
- With a new amenity policy, a reliable, development-based funding source will be in place for the Township of Langley to begin to complete critically-needed sections of the road network now, at no additional net cost to taxpaying residents and small businesses.

“We must not allow any possibility where this cost burden may have to be shifted to taxpaying residents in the form of increased residential property taxes.”

MEMORANDUM

APRIL 8 • 2019



TO: MAYOR AND COUNCIL
FROM: CLLR ERIC WOODWARD
SUBJECT: PROPOSED SOLUTION TO COMPLETE MAJOR ROADS IN WILLOUGHBY & PREVENT SIMILAR OUTCOME FOR BROOKSWOOD/FERNRIDGE

EXECUTIVE SUMMARY

We must find a solution to complete the significant, intolerable, persistent gaps in the arterial road and sidewalk network within Willoughby that will otherwise persist for many years yet, if not indefinitely.

We must reform the current model of major road provision to have the financial resources necessary to construct gaps in the road network that aren't being completed by development as we need them.

The Highway Development Cost Charges (DCCs) program doesn't include nor account for the significant land cost and total construction cost for the completion of gaps in the arterial road network by the Township of Langley. Today, to complete gaps in the network, the Township of Langley must expropriate the necessary land dedication (and compensate owners and complete the construction) at its cost.

Development should bear the burden of the arterial network's completion without the opportunity cost of other capital projects within the current scope of the Development Cost Charges program as it exists today.

I propose herein a new amenity policy to distribute more widely the land cost burden of the arterial road dedication to all developers and speculators, not just the few with arterial frontage. This new amenity would ensure that development absorbs this land cost not at the expense of funds earmarked for other capital improvements, or with property tax increases.

CURRENT ARTERIAL ROADS MODEL

The current model of road and sidewalk construction in developing areas such as Willoughby depends upon obtaining constructed roads and sidewalks from developers at no cost to the Township of Langley as a condition of development approval. Proponents receive a Highway DCC credit for a portion of their construction costs, but no compensation for land cost.

Each new section of road and sidewalk frontage is built out separately on a per-site basis as an associated development application proceeds with construction after approval. Development and construction timelines can vary widely, however.

Development proponents, speculators and land owners with arterial road frontage fully absorb the land cost for arterial road sections themselves. While this land cost (and a significant portion of the construction cost) is borne only by those with arterial road frontage, the timeline to provide their section of the arterial road network is entirely at their discretion.

If some needed land parcels fail to develop in a timely fashion, or at all, it can leave permanent gaps in critical road frontage for years, or indefinitely, even as Willoughby grows with thousands of new residents every year adding to the problem with no current solution.

CORE PROBLEM

We now have 30,000 residents within Willoughby, and up to another 30,000 residents in adjacent communities, that cannot adequately get around within, or through, Willoughby.

Previous Councils completed all 10 neighbourhood plans within Willoughby for development, thereby allowing every area of Willoughby to actively develop at the same time, adding thousands of new residents per year without any prospect for completing all the needed arterial roads within the near-term, even as it is desperately needed by existing residents.

As individual development sites redevelop all over Willoughby in a random, unpredictable sequence, we have ended up with significant, persistent gaps in the road network in multiple locations between developed areas.

With so many gaps to address, the financial burden is so substantial (under the current model) it is nearly impossible to properly solve the issue without adjusting the underlying economic model.

We have incomplete sidewalk connections to/from school locations, and local parks. 80th Avenue and 202/202A Street will still be incomplete as the new RE Mountain high school expansion completes this September,

despite it being known of and in the works for years. We are opening the new 216th Street interchange with 80th Avenue and the needed 212th Connector to 208th Street still incomplete.

There is currently no prospect of development completing 208th Street between 68th Avenue and 76th Avenue due to the Smith Neighbourhood Plan not yet underway. As the situations sits today, with development applications not even being contemplated for both sides this corridor, it could be 10+ years before this section of 208th Street is completed without policy reform, significant depletion of the DCC program, or unacceptable property tax increases.

The Development Cost Charges (DCCs) program within the Township of Langley did not anticipate nor plan for the possibility of the Township of Langley completing gaps within the arterial road network separately in advance of development.

Highway DCC rates do not account for land acquisition cost. For 208th Street between 68th and 76th Avenues alone, this is currently estimated to be \$40M+, increasing annually, while still not addressing the other important gaps, such as 80th Avenue, 202/202A Street, 72nd Avenue, and badly needed sections of 200th Street.



PROPOSED SOLUTION: ARTERIAL ROAD COMPLETION AMENITY POLICY

It is simply not acceptable that the Township of Langley taxpayers face a situation where development might not pay for the infrastructure that development should reasonably provide. Development must pay for development. We must not allow any possibility where this cost burden may have to be shifted to taxpaying residents in the form of increased residential property taxes, or to DCCs revenue earmarked for other important projects, such as the widening of Fraser Highway from Murrayville to Aldergrove.

The major roads crisis in Willoughby must be solved with a model where development pays for itself and does so in a sustainable and scalable manner not at the expense of other public interests.

Approximately 1,400 greenfield developable acres remain in Willoughby. The Township of Langley can still reform its current financial model for arterial road provision to ensure it is sufficient to complete the network before development is 100% complete, which could still take decades.

The Township of Langley currently has adopted policies where developers share the cost of community amenities, such as greenways, and other items not included within the scope of our DCC program, since all benefit from these amenities. The same principle underlying these amenity policies also applies to the arterial road network: all benefit from its completion, all impose a growth burden upon it. Therefore, all developers should share in its land and completion cost as they currently do for greenways, as one example.

In addition, staff reports requested by the previous Council outlining the cost to complete major sections, such as a 208th Street, have inadvertently highlighted the political leverage undeveloped property owners/speculators/developers with critical arterial frontage needed by the wider community now have.

Without a real plan as of yet to address the problem, some property owners will logically conclude that the Township of Langley taxpayer will eventually have to compensate them for their road dedication land value to complete the road network, if they postpone development.

For some, without any urgency to develop, it could be in their greater financial interest to simply wait for the Township of Langley taxpayer to compensate them for their road dedication land cost via the expropriation process currently funded by other sources, such as property tax increases, witnessing the increasing political pressure to solve the problem.

Waiting for expropriation would potentially save some proponents millions of dollars in otherwise lost land value, providing substantial incentives for some to wait indefinitely. If the current policy framework is not reformed we will likely have holdouts for many years (or indefinitely) as is still the case in some locations within Walnut Grove, decades later. This is an unacceptable situation that must not be allowed to continue.

Without reform, there is no prospect for completion of the arterial road network until the very end of greenfield development, projected to be another 20 years. We must act now.

A new amenity policy for arterial road network completion addresses the deficiency of significant land cost, financing costs, and some construction costs without any changes to the current DCC program. Significant changes to the DCC program are more complicated and time consuming.

A new amenity policy would exist independently of the existing DCC program. The current scope of works and costs contemplated within DCC program can be left as they are today, and after pending increases likely proceed within 2019.

I propose that Council adopt a new, additional Willoughby Arterial Road Completion Amenity Policy with the following framework:

- A new amenity fund of up to \$200M, or more as needed, for land acquisition, financing and construction costs to complete needed gaps within the arterial road network. This projected amount would be adjusted annually as our other amenity policies are, as land and other projected costs increase;
- This new amenity fund's projected amount would include any and all financing costs for borrowed funds needed to complete sections of the arterial network now, in anticipation of amenity fees collected as development proceeds;
- All undeveloped lands with or without arterial road frontage within Willoughby would be subject to this new amenity fee per acre of remaining Willoughby greenfield;

- Undeveloped lands with arterial road frontage would now be partially compensated for some/most of the difference of their road dedication land cost and the otherwise applicable per acre amenity fee as per this new policy;
- The policy could contemplate including some sections of the arterial road network just outside the boundary of the Willoughby Community Plan, such as 200th Street from 66th to 68th Avenue;
- In consultation with staff, the policy would prioritize the following sections of arterial road frontage with significant gaps and currently no prospect of development providing them 100%, to be completed as soon as possible:
 - 208th Street from 68th to 76th Avenue
 - 80th Avenue from 200th to 208th Street
 - 202A Street from 72nd Avenue to 80th Avenue (for RE Mountain)
 - 80th Avenue from 216th to 212th Street
 - 212th Street Connector to 208th Street
 - 86th Avenue from 201st to 202nd Street
 - 200th Street from 72nd to 80th Avenue
 - 200th Street from 66th to 68th Avenue

This new amenity policy provides for a mechanism for development to fund the land acquisition and some of the (to be determined) portion of the construction cost for completion by the Township of Langley of critical gaps in the Willoughby's arterial road infrastructure.



This new amenity policy rightly shifts the burden of the arterial road frontage land cost from the individual developer/owner with arterial road frontage to all Willoughby developers/owners. It shifts the burden from the unlucky few to all, to a structure that is more fair, practical, and feasible to create a development-based funding source for the required cost to compete critical gaps within the network now.

With this new amenity policy drafted and refined by staff for Council consideration and potential adoption, a reliable, development-based funding source will then be in place for the Township of Langley to begin to complete critically-needed sections of the road network now, and to borrow the necessary funds at no additional net cost to taxpaying residents and small businesses.

BROOKSWOOD/FERNRIDGE

This arterial network shared burden policy framework should also be adopted as part of the neighbourhood planning process for Brookswood/Fernridge from its start.

We need to have a similar amenity fund in place in Brookswood/Fernridge for the Township of Langley to be able to complete intolerable gaps in the arterial network there as well. These gaps will inevitably arise as development proceeds in most areas at the same time, as it has in Willoughby.

FAST-TRACK STATUS

Development applications with a significant arterial road dedication as a component should be processed more quickly than those without.

Development applications with needed sidewalk and road dedication components have a greater public interest over and above the normal course of development, and, as such, should receive fast-track processing.

CONCLUSION

As outlined herein, by adjusting the model for major road provision, we can finally be on a path to end the major roads crisis in Willoughby.

We must address land acquisition costs separate from the normal course of development. A new amenity with burden sharing of the arterial road dedication land cost will address this significant overall cost not accounted for within the DCC program. It will provide the Township of Langley with an economically viable path to complete needed sections as necessary, which we don't currently have.

With this policy adjustment we do not have to substantially change the current DCC program, forgo other needed Highway DCC projects for arterial land acquisition costs, or impose increases in property taxes to otherwise complete what development must pay for.

With a new Willoughby Arterial Road Completion Amenity Policy, we can more fairly distribute the burden for arterial road construction to all developers and create a development-based funding source to complete badly needed sections of the road network now before the normal course of development, which may be decades from now, or longer.

With this policy framework adjustment, we can begin to complete critical sections of the arterial road network now at no cost to the Township of Langley taxpayer within a more fair and equitable arterial road provision structure, solving this problem for our residents for the long-term.

WILLOUGHBY

PRIORITY MAJOR ROAD LOCATIONS



This map displays a network of streets with several sections highlighted in grey to indicate 'Rights-of-Way'. The highlighted sections include:

- A vertical segment of 201st St between 86th Ave and 84th Ave.
- A vertical segment of 202nd St between 84th Ave and 82nd Ave.
- A vertical segment of 200th St between 76th Ave and 70th Ave.
- A vertical segment of 202nd St between 76th Ave and 70th Ave.
- A vertical segment of 206th St between 76th Ave and 70th Ave.
- A vertical segment of 208th St between 76th Ave and 70th Ave.
- A curved segment of 208th St between 76th Ave and 70th Ave, following the curve of the road.
- A vertical segment of 206th St between 70th Ave and 66th Ave.
- A vertical segment of 208th St between 70th Ave and 66th Ave.
- A vertical segment of 210th St between 70th Ave and 66th Ave.
- A vertical segment of 212th St between 70th Ave and 66th Ave.
- A vertical segment of 214th St between 70th Ave and 66th Ave.
- A vertical segment of 216th St between 70th Ave and 66th Ave.
- A vertical segment of 218th St between 70th Ave and 66th Ave.
- A vertical segment of 220th St between 70th Ave and 66th Ave.
- A vertical segment of 222nd St between 70th Ave and 66th Ave.
- A vertical segment of 224th St between 70th Ave and 66th Ave.
- A vertical segment of 226th St between 70th Ave and 66th Ave.
- A vertical segment of 228th St between 70th Ave and 66th Ave.
- A vertical segment of 230th St between 70th Ave and 66th Ave.
- A vertical segment of 232nd St between 70th Ave and 66th Ave.
- A vertical segment of 234th St between 70th Ave and 66th Ave.
- A vertical segment of 236th St between 70th Ave and 66th Ave.
- A vertical segment of 238th St between 70th Ave and 66th Ave.
- A vertical segment of 240th St between 70th Ave and 66th Ave.
- A vertical segment of 242nd St between 70th Ave and 66th Ave.
- A vertical segment of 244th St between 70th Ave and 66th Ave.
- A vertical segment of 246th St between 70th Ave and 66th Ave.
- A vertical segment of 248th St between 70th Ave and 66th Ave.
- A vertical segment of 250th St between 70th Ave and 66th Ave.
- A vertical segment of 252nd St between 70th Ave and 66th Ave.
- A vertical segment of 254th St between 70th Ave and 66th Ave.
- A vertical segment of 256th St between 70th Ave and 66th Ave.
- A vertical segment of 258th St between 70th Ave and 66th Ave.
- A vertical segment of 260th St between 70th Ave and 66th Ave.
- A vertical segment of 262nd St between 70th Ave and 66th Ave.
- A vertical segment of 264th St between 70th Ave and 66th Ave.
- A vertical segment of 266th St between 70th Ave and 66th Ave.
- A vertical segment of 268th St between 70th Ave and 66th Ave.
- A vertical segment of 270th St between 70th Ave and 66th Ave.
- A vertical segment of 272nd St between 70th Ave and 66th Ave.
- A vertical segment of 274th St between 70th Ave and 66th Ave.
- A vertical segment of 276th St between 70th Ave and 66th Ave.
- A vertical segment of 278th St between 70th Ave and 66th Ave.
- A vertical segment of 280th St between 70th Ave and 66th Ave.
- A vertical segment of 282nd St between 70th Ave and 66th Ave.
- A vertical segment of 284th St between 70th Ave and 66th Ave.
- A vertical segment of 286th St between 70th Ave and 66th Ave.
- A vertical segment of 288th St between 70th Ave and 66th Ave.
- A vertical segment of 290th St between 70th Ave and 66th Ave.
- A vertical segment of 292nd St between 70th Ave and 66th Ave.
- A vertical segment of 294th St between 70th Ave and 66th Ave.
- A vertical segment of 296th St between 70th Ave and 66th Ave.
- A vertical segment of 298th St between 70th Ave and 66th Ave.
- A vertical segment of 300th St between 70th Ave and 66th Ave.

The map also shows other streets such as 88th Ave, 86th Ave, 85th Ave, 84th Ave, 83rd Ave, 82nd Ave, 81st Ave, 80th Ave, 79th Ave, 78th Ave, 77th Ave, 76th Ave, 75th Ave, 74th Ave, 73rd Ave, 72nd Ave, 71st Ave, 70th Ave, 69th Ave, 68th Ave, 67th Ave, 66th Ave, 65th Ave, 64th Ave, 63rd Ave, 62nd Ave, 61st Ave, 60th Ave, 59th Ave, 58th Ave, 57th Ave, 56th Ave, 55th Ave, 54th Ave, 53rd Ave, 52nd Ave, 51st Ave, 50th Ave, 49th Ave, 48th Ave, 47th Ave, 46th Ave, 45th Ave, 44th Ave, 43rd Ave, 42nd Ave, 41st Ave, 40th Ave, 39th Ave, 38th Ave, 37th Ave, 36th Ave, 35th Ave, 34th Ave, 33rd Ave, 32nd Ave, 31st Ave, 30th Ave, 29th Ave, 28th Ave, 27th Ave, 26th Ave, 25th Ave, 24th Ave, 23rd Ave, 22nd Ave, 21st Ave, 20th Ave, 19th Ave, 18th Ave, 17th Ave, 16th Ave, 15th Ave, 14th Ave, 13th Ave, 12th Ave, 11th Ave, 10th Ave, 9th Ave, 8th Ave, 7th Ave, 6th Ave, 5th Ave, 4th Ave, 3rd Ave, 2nd Ave, 1st Ave, 0th Ave.

Estimation of Land Area and Land Cost

Identified Road Section	Approximate Area (acres)	Approximate Land Cost
208 Street from 68 Avenue to 76 Avenue	5.30	\$17,000,000
80 Avenue from 200 Street to 208 Street	1.80	\$5,800,000
202A Street from 72 Avenue to 80 Avenue	1.80	\$5,800,000
80 Avenue from 212 Street to 216 Street	0.50	\$1,600,000
212 Street Connector from 208 Street to 80 Avenue	2.90	\$9,300,000
86 Avenue from 201 Street to 202 Street	0.25	\$800,000
200 Street from 72 Avenue to 80 Avenue	2.55	\$8,200,000
200 Street from 66 Avenue to 68 Avenue	1.20	\$3,900,000
Total	16.30	\$52,000,000

Properties Subject to a Target Contribution Amount

Developable Land