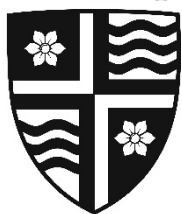


Township of
Langley



Est. 1873

REPORT TO MAYOR AND COUNCIL

PRESENTED:	SEPTEMBER 9, 2019 - REGULAR EVENING MEETING	REPORT:	19-135
FROM:	FINANCE DIVISION	FILE:	1760-20
SUBJECT:	MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS		

RECOMMENDATIONS:

That Council give first, second and third reading to the McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019 No. 5507 for the purpose of borrowing funds in the amount of \$1.919 million for McLeod Athletic Park Capital Works project within the 2019 Parks Capital Program repayable from general revenue; and

That Council provide an Alternative Approval Process, in accordance with Section 86 of the *Community Charter*, for the McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019 No. 5507 as outlined in items (a) to (e) below with respect to the Alternative Approval Process.

- a) Elector responses shall be in the form set out in Attachment "B".
- b) The deadline for the submission of elector responses forms shall be 4:30 PM on Monday, November 29, 2019 (the "Deadline").
- c) The Township Clerk is authorized to prepare an Alternative Approval Process Notice which must be published once each week for two consecutive weeks with the second publication being at least 30 days before the deadline.
- d) This Alternative Approval Process applies to the entire area of the Township, and a fair determination of the total number of electors of the Township of Langley is 85,452.
- e) The Township Clerk is authorized to undertake any further steps required to carry out the Alternative Approval Process in accordance with the *Community Charter*.

EXECUTIVE SUMMARY:

The Township's 2019-2023 Capital Program includes McLeod Athletic Park capital project which requires external debt financing through the Municipal Finance Authority as outlined in the *Community Charter*. The *Community Charter* stipulates that borrowing for greater than five years must be obtained from the Municipal Finance Authority (MFA) and requires a loan authorization bylaw. Loan authorization bylaws generally may only be adopted with the approval of the electors with some exceptions.

The Community Charter, Municipal Liabilities Regulation, provides an exemption from elector approval if total annual debt servicing cost is less than 5% of the municipal annual revenue calculated in accordance with this regulation. At this time, the Township does not meet this requirement and is therefore required to seek elector approval through an alternative approval process for the loan authorization bylaw proposed in this report.

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS

Page 2 ...

McLeod Athletic Park Capital Works

The proposed loan authorization bylaw will provide funding for the approved 2019 capital works at McLeod Athletic Park. The Township has been picked as host site for the 2020 and 2021 National Track and Field Championships. Improvements identified in the table below have been requested in the budget processes for the last few years but have not met the criteria for funding. With the honour of being chosen host municipality comes the necessity to finally complete the identified improvements in time for the event.

The funds being requested will allow for construction of an arrival point and plaza including additional parking, improved pedestrian access, signage and landscaping. The project will also include a complete ticket booth and control gate feature on the west side of the grandstand.

It is anticipated that the improvements described will elevate the profile of McLeod Athletic Park to a destination stadium in the Fraser Valley.

Debt Financing - Alternative Approval Process

Under Section 86 of the *Community Charter*, Council is required to seek approval of the electors prior to incurring debt for parks capital projects.

The need to borrow funds for capital may arise as a result of many factors including rising capital costs in recent years, which has depleted funding sources such as surpluses and reserves. In addition, budgets are strained as the Township continues to provide ongoing funding for infrastructure, asset maintenance and protective services in a rapidly growing community.

Projected MFA Debt Servicing Costs

If approved, the Township will borrow \$1.919 million repayable over 20 years for park capital project. At current rates of 2.52%, approximate annual loan payments of principal and interest would be as follows:

Service Fund	Debt Amount	Source of Debt Servicing	Annual Principal & Interest Payment
Parks Project	\$ 1,900,000	General Revenue	\$ 119,776 (0.09% tax increase)
1% Borrowing Costs	19,000		
Total Loan Amount	\$ 1,919,000		

PURPOSE:

The purpose of this report is to obtain Council's consideration of the three readings of McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019 No. 5507 (\$1.919 million) and to provide an Alternative Approval Process, prior to it being forwarded to the inspector of Municipalities.

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS

Page 3 ...

DISCUSSION/ANALYSIS:

The Township's 2019-2023 Capital Program includes McLeod Athletic Park capital works requiring external debt financing through the Municipal Finance Authority as required under the *Community Charter*. The *Community Charter* stipulates that borrowings for greater than five years must be obtained from the Municipal Finance Authority (MFA) and require a loan authorization bylaw.

McLeod Athletic Park Capital Works

The proposed loan authorization bylaw will provide funding for the approved 2019 capital works at McLeod Athletic Park. The Township has been picked as host site for the 2020 and 2021 National Track and Field Championships. Improvements identified in the table below have been requested in the budget processes for the last few years but have not met the criteria for funding. With the honour of being chosen host municipality comes the necessity to finally complete the identified improvements in time for the event.

The funds will allow for construction of an arrival point and plaza as depicted in Attachment "A". Improvements requiring borrowing will include additional parking, improved pedestrian access, signage, and landscaping. The project will also include a complete ticket booth and control gate feature on the west side of the grandstand.

It is anticipated that the improvements described will elevate the profile of McLeod Athletic Park to a destination stadium in the Fraser Valley.

Project Title	Project ID	Total
McLeod Athletic Park: Spalling and Structural Repairs	EN1181	250,000
McLeod Athletic Park: Grandstand Roof	EN1112	1,000,000
McLeod Athletic Park: Washroom Roof Replacement	EN1187	50,000
McLeod Athletic Park Arrival Point & Plaza	PKS567	1,900,000
McLeod Park Javelin Area Irrigation	PKS643	63,390
McLeod Athletic Park Track & Field Improvements	PKS998	1,850,000
		5,113,390

Debt Financing - Alternative Approval Process

Under Section 86 of the *Community Charter*, Council is required to seek the approval of the electors prior to incurring debt for the parks capital projects.

The need to borrow funds for capital may arise as a result of many factors including rising capital costs in recent years, which has depleted funding sources such as surpluses and reserves. In addition, budgets are strained as the Township continues to provide ongoing funding for infrastructure, asset maintenance and protective services in a rapidly growing community.

Applicable Policies:

Current Financial Policies support the utilization of external debt for funding significant capital projects, which benefit the community for a period greater than the loan repayment period. The advantage of debt financing is that significant projects are not unreasonably delayed and future taxpayers, who will benefit from the capital projects, contribute toward their funding.

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS

Page 4 ...

Legislation:

The *Community Charter* stipulates that borrowings for greater than five years must be obtained from the Municipal Finance Authority (MFA) and require a loan authorization bylaw. Loan authorization bylaws generally may only be adopted with the approval of the electors with some exceptions.

The Community Charter, Municipal Liabilities Regulations, provides an exemption from elector approval if total annual debt servicing cost is less than 5% of the municipal annual revenue calculated in accordance with this regulation. At this time, the Township does not meet this requirement and is therefore required to seek elector approval through an alternative approval process for the loan authorization bylaw proposed in this report.

The borrowing process as stipulated in the *Community Charter* and the Local Government Act for this bylaw is as follows:

- Complete three readings of the Loan Authorization Bylaw.
- Submit Bylaws and Liability Servicing Limit Certificate to the applicable Ministry for review and approval.
- Seek elector approval through the Alternative Approval Process. Two public notices in subsequent weeks are required, after which time the forms will be available to the public at the Civic Facility or on the Township's website. Electorate will have 30 days after the second publication to submit original forms to the Corporate Officer.
- Adopt the Loan Authorization Bylaw if less than 10% opposition from the electorate is registered. The number of registered electors on October 20, 2018 was 85,452 making the 10% threshold of electors 8,545 elector.
- The Municipality applies for the final Certificate of Approval for the Loan Authorization Bylaw at least one month (30 day quashing period) after the bylaws are adopted by Council.

Financial Implications

The 2019 Capital Budget includes McLeod Athletic Park capital works requiring funding from external borrowing. Debt servicing costs for principal and interest will be included in the 2020-2024 Five-Year Financial Plan funded from general revenue.

If approved, the Township will borrow a total of \$1.919 million repayable over 20 years for parks capital projects. At current rates of 2.52%, the annual loan payments of principal and interest would be as follows:

Service Fund	Debt Amount	Source of Debt Servicing	Annual Principal & Interest Payment
Parks Projects	\$ 1,900,000	General Revenue	\$ 119,776 (0.09% tax increase)
1% Borrowing Costs	19,000		
Total Loan Amount	\$ 1,919,000		

Approved MFA borrowing could be drawn as needed to avoid unnecessary financing costs.

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS

Page 5 ...

Debt Financing - Alternative Approval Process

Under Section 86 of the *Community Charter*, Council is required to seek the approval of the electors prior to incurring debt for the parks capital projects. The approval process is outlined below:

- Authorize staff to proceed with the Alternative Approval Process.
- Establish the deadline for receiving elector responses. The deadline for receiving elector responses is Monday, November 29, 2019.
- Authorize the Township Clerk to prepare and publish the Alternative Approval Process Notice. The Notice in accordance with *Community Charter* Sections 86 and 94 will be published once each week for two consecutive weeks. The last day of the second publication will be at least 30 days prior to the deadline of November 29, 2019.
- Establish the form and content of the elector response forms. The response form, Attachment "B", is designed to allow only a single elector response on each form and will be available to the public at the Civic Facility from the time of the first publication, until the deadline of November 29, 2019.
- Council must, by resolution, determine the total number of electors used to calculate the 10% minimum threshold. The number of registered electors on October 20, 2018 was 85,452 making the 10% threshold of electors 8,545 elector.
- If 10% of all eligible electors (in the case of at least 8,545 electors) sign the elector response form and submit it to the Township's Clerk's office by 4:30 PM on Monday, November 29, 2019, Council should not proceed with the final reading of the Loan Authorization Bylaw.

Respectfully submitted,

Samuel Nam
DEPUTY DIRECTOR OF FINANCE
for
FINANCE DIVISION

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

CONCURRENCES	
Division / Department	Name
ARTS, CULTURE AND COMMUNITY INITIATIVES	A. Neufeld
LEGISLATIVE SERVICES	W. Bauer

ATTACHMENT A McLeod Athletic Park Entrance Plaza and Parking Concept
ATTACHMENT B Elector Response Forms

ATTACHMENT A

McLeod Athletic Park Entrance Plaza and Parking Concept



ATTACHMENT B



Elector Response Form

McLeod Athletic Park Capital Works

The Township of Langley is seeking elector approval for the borrowing of funds, \$1.919 million, to undertake McLeod Athletic Park capital works. Elector approval is requested using the alternative approval process as described in Section 86 of the *Community Charter*.

The question being put forward to the electors of the Township of Langley is whether they are opposed to the borrowing of funds to undertake parks capital works.

The number of electors within the Township of Langley on October 20, 2018, was 85,452. If valid Electoral Response Forms are received from 8,545 electors, Council cannot proceed with the borrowing without receiving the assent of the voters by referendum.

If you are opposed to the borrowing of funds to undertake McLeod Athletic Park capital works and are a qualified elector in the Township of Langley, you can sign an Elector Response form.

If you are not opposed to the borrowing of funds to undertake McLeod Athletic Park capital works, no action is required.

All Elector Response forms must be received by the Township Clerk at the Township of Langley Civic Facility, 20338 – 65 Avenue, Langley on or before 4:30pm (PST) on November 29, 2019. All forms must have an original signature and cannot be copied or scanned versions of the signature.

Further information can be obtained from the Township Clerk at:

Wendy Bauer, Township Clerk
604-533-6101
wbauer@tol.ca



Alternative Approval Process McLeod Athletic Park Capital Works

Elector Response Form

I hereby declare the following:

1. That I am a Canadian citizen;
2. That I am an individual who is age 18 or older;
3. I have been a resident of British Columbia for at least the past 6 months;
4. I have been a Township of Langley resident or owner of property within the Township of Langley for at least the last 30 days;
5. I am not disqualified by the *Local Government Act* or any other enactment from voting in an election or otherwise disqualified by law.

I understand that by signing this form I am declaring the above facts and I am petitioning against the Corporation of Township of Langley borrowing of funds to undertake McLeod Athletic Park capital works.

NAME OF ELECTOR:

(Please Print Full Name)

RESIDENTIAL ADDRESS:

(or address of property for which you are eligible to be a non-resident Property elector)

SIGNATURE OF ELECTOR:

NOTE: This **originally-signed form** must be returned to the Township Clerk at the Township of Langley, Township of Langley Civic Facility, 20338 – 65 Avenue, Langley, BC, V2Y 3J1 **no later than 4:30pm on November 29, 2019.**

Accurate copies of this elector response form may be made and used for signing. A person must not sign an elector response form more than once and may not withdraw their name from the alternative approval process petition after the November 29, 2019 deadline.

Any personal information collected on this form will be managed in accordance with the *Freedom of Information and Protection of Privacy Act*. Direct enquiries, questions, or concerns regarding the collection, use, disclosure, or safeguarding of personal information associated with this form to:
Supervisor, Information, Privacy and Records Management.
20338 – 65 Avenue, Langley, BC V2Y 3J1 604-532-7396

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS

Page 9 ...

PUBLIC NOTICE

Notice of Elector Alternative Approval Process

The Township of Langley is seeking elector approval for the borrowing of funds to undertake McLeod Athletic Park capital works and a number of land acquisitions included in two bylaws as follows:

- McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019, No 5507 (\$1.919 million);
- Land Acquisition Loan Authorization Bylaw 2019, No 5508 (\$16.398 million);
- Strategic Land Acquisition Loan Authorization Bylaw 2019, No 5509 (\$67.67 million).

For each of the above bylaws, the borrowing may occur unless at least 10% of the electors of the Township of Langley sign an Elector Response form confirming their opposition. Council has determined that 10% of eligible electors within the Township of Langley is 8,545 electors.

Copies of McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019, No 5507, Land Acquisition Loan Authorization Bylaw 2019, No 5508, and Strategic Land Acquisition Loan Authorization Bylaw 2019, No 5509 and related documents are available on the Township website at www.tol.ca/aap and from the Legislative Services Department at the Township of Langley Civic Facility, 20338 – 65 Avenue, Monday to Friday (except for statutory holidays) from 8:00am to 4:30pm.

Who can sign an Elector Response form?

Only eligible electors may sign an Elector Response form. Eligible electors must meet the following qualifications:

- a Canadian citizen;
- an individual over the age of 18;
- a resident of British Columbia for at least the past 6 months;
- a Township of Langley resident or property owner for at least the past 30 days; and
- not disqualified from voting by the Local Government Act or any other enactment.

Corporations are not entitled to submit Elector Response forms.

For non-resident electors, individuals owning land within the Township of Langley but not residing in the Township, only one non-resident owner may submit the Elector Response form for the property.

What to do if you are not opposed:

If you agree with the borrowing of funds to undertake the McLeod Athletic Park capital works and the land acquisitions included in two bylaws, no action on your part is necessary.

What to do if you are opposed:

If you are opposed to any of the proposals, Elector Response forms are available at the Information Counter at the Township of Langley Civic Facility at 20338 – 65 Avenue, Monday to Friday (except for statutory holidays) from 8:00am to 4:30pm or at www.tol.ca/aap.

The form must be received at the Township Civic Facility at 20338 – 65 Avenue, Langley by the Township Clerk on or before **4:30pm on Friday, November 29, 2019**.

MCLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION BYLAW 2019 AND
ALTERNATIVE APPROVAL PROCESS

Page 10 ...

The form must have an original signature. Faxed, imaged, or emailed signed forms cannot be counted.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

McLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION

BYLAW 2019 NO. 5507

EXPLANATORY NOTE

Bylaw 2019 No. 5507 authorizes the Township of Langley to borrow \$1.919 million towards the estimated cost of constructing McLeod Athletic Park capital works.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

McLEOD ATHLETIC PARK CAPITAL WORKS LOAN AUTHORIZATION

BYLAW 2019 NO. 5507

The Council of the Corporation of the Township of Langley, in Open Meeting Assembled,
ENACTS AS FOLLOWS:

- 1. This Bylaw may be cited for all purposes as “McLeod Athletic Park Capital Works Loan Authorization Bylaw 2019 No. 5507”.
- 2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of the McLeod Athletic Park capital works generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
 - a. To borrow upon the credit of the Municipality a sum not exceeding \$1,919,000 (One million nine hundred nineteen thousand dollars).
 - b. To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with construction of the said McLeod Athletic Park capital works.
- 3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

READ A FIRST TIME the	day of	, 2019
READ A SECOND TIME the	day of	, 2019
READ A THIRD TIME the	day of	, 2019
RECEIVED THE APPROVAL of the		
INSPECTOR of MUNICIPALITIES this	day of	, 2019
ADOPTED the		
	day of	, 2020

_____	Mayor	_____	Township Clerk
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