

Township of  
Langley



Est. 1873

## REPORT TO MAYOR AND COUNCIL

<b>PRESENTED:</b>	SEPTEMBER 9, 2019 - REGULAR EVENING MEETING	<b>REPORT:</b>	19-136
<b>FROM:</b>	FINANCE DIVISION	<b>FILE:</b>	1760-20
<b>SUBJECT:</b>	LAND ACQUISITION LOAN AUTHORIZATION BYLAW 2019 AND ALTERNATIVE APPROVAL PROCESS		

### RECOMMENDATIONS:

**That** Council authorize the reallocation of \$16.398 million budget authority within the existing 2019 capital budget to fund items considered and approved by Council after adoption of the Langley 2019 – 2023 Five-Year Financial Plan Bylaw 2019 No. 5455;

**That** Council give first, second and third reading to Land Acquisition Loan Authorization Bylaw 2019 No. 5508 for the purpose of borrowing funds in the amount of \$16.398 million for land acquisition capital project within the 2019 Land Acquisition Capital Program repayable from general revenue; and

**That** Council provide an Alternative Approval Process, in accordance with Section 86 of the *Community Charter*, for Land Acquisition Loan Authorization Bylaw 2019 No. 5508 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 “D”.
- 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:

Council recently approved a land acquisition capital project which consists of three separate land acquisitions and 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 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.

### Land Acquisition

The proposed loan authorization bylaw will provide funding for land acquisitions approved by Council.

Council authorized acquisition of:

1. The property identified as Lot B Plan EPP65984 – 80 Avenue (PID No. 029-992-311) for a maximum purchase price of \$9,762,500 (Attachment A).
2. Three properties identified as PID Nos.: 011-427-191, 009-271-457 and 012-314-951 for a maximum price of \$5,500,000 (Attachment B).
3. The property located at 3011 – 270B Street and legally described as Lot 85 Section 19 Township 13 New Westminster District Plan 34998 for a maximum purchase price of \$973,500 (Attachment C).

### 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 land acquisition 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. The proposed loan authorization bylaw will provide funding for a land acquisition capital project in the Township.

### Projected MFA Debt Servicing Costs

If approved, the Township will borrow \$16.398 million repayable over 30 years for this 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
Land Acquisition Project	\$ 16,236,000	General Revenue	\$757,920 (0.56% tax increase)
1% Borrowing Costs	162,360		
Total Loan Amount	\$ 16,398,360		

### **PURPOSE:**

The purpose of this report is to obtain Council's approval for a budget reallocation to provide land acquisition budget authority in the 2019 capital program, to request Council's consideration of three readings of Land Acquisition Loan Authorization Bylaw 2019 No. 5508 (\$16.398 million), and provision of an Alternative Approval Process, prior to it being forwarded to the Inspector of Municipalities.

Council recently approved a land acquisition capital project which consists of three separate land acquisitions and 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.

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### **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.

### 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 Regulation, 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 approved land acquisitions require funding from external borrowing. Debt servicing costs for principal and interest will be included in the 2020-2024 Five-Year Financial Plan.

If approved, the Township will borrow a total of \$16.398 million repayable over 30 years for land acquisition 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
Land Acquisition Project	\$ 16,236,000	General Revenue	\$757,920 (0.56% tax increase)
1% Borrowing Costs	162,360		
Total Loan Amount	\$ 16,398,360		

### 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 land acquisition 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 "D", 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.

<b>CONCURRENCES</b>	
<b>Division / Department</b>	<b>Name</b>
CORPORATE ADMINISTRATION (PROPERTY DEPT.)	Steve Scheepmaker
LEGISLATIVE SERVICES (TOWNSHIP CLERK)	Wendy Bauer

ATTACHMENT A - Lot B Plan EPP65984 – 80 Avenue (PID No. 029-992-311)

ATTACHMENT B - PID Nos.: 011-427-191, 009-271-457 and 012-314-951

ATTACHMENT C - 3011 – 270B Street and legally described as Lot 85 Section 19  
Township 13 New Westminster District Plan 34998

ATTACHMENT D - Elector Response Forms

## ATTACHMENT A

Lot B Plan EPP65984 – 80 Avenue (PID No. 029-992-311)

Land Assembly adjacent Langley Events Centre

Outlined in RED





## ATTACHMENT B

PID Nos.: 011-427-191, 009-271-457 and 012-314-951



## ATTACHMENT C

**3011 – 270B Street and legally described as  
Lot 85 Section 19 Township 13 New Westminster District Plan 34998**







## ATTACHMENT D



## Elector Response Form Land Acquisition

The Township of Langley is seeking elector approval for the borrowing of funds, \$16.398 million, to undertake Land Acquisition. 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 Land Acquisition.

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 Land Acquisition 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 Land Acquisition, 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 Land Acquisition

### 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 Land Acquisition.

**NAME OF ELECTOR:**

\_\_\_\_\_  
(Please Print Full Name)

**RESIDENTAL 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

## 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](http://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](http://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**.

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



**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LAND ACQUISITION LOAN AUTHORIZATION**

**BYLAW 2019 NO. 5508**

**EXPLANATORY NOTE**

Bylaw 2019 No. 5508 authorizes the Township of Langley to borrow \$16.398 million towards the estimated cost of land acquisition capital project.

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**  
**LAND ACQUISITION LOAN AUTHORIZATION**  
**BYLAW 2019 NO. 5508**

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 “Land Acquisition Loan Authorization Bylaw 2019 No. 5508”.
2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the acquisition of land 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 \$16,398,360 (Sixteen million three hundred ninety-eight thousand three hundred sixty 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 the said land acquisition capital project.
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 30 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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