THE CORPORATION OF THE TOWNSHIP OF LANGLEY

LANGLEY OFFICIAL COMMUNITY PLAN BYLAW NO. 1842 AMENDMENT (WILLOWBROOK COMMUNITY PLAN) BYLAW 1991 NO. 3008 AMENDMENT (WILLOWBROOK LAND VALUE CAPTURE SYSTEM) BYLAW 2020 NO. 5582

EXPLANATORY NOTE

Bylaw 2020 No. 5582 amends the Willowbrook Community Plan by adding policies to commit the Township to update the planning document, develop a land value capture system in the updated plan, set 2018 as the base year for the land value capture system, and indicate the Township's intention to capture up to 75% of any increase in land value as a result of transit infrastructure upgrades.

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A Bylaw to Amend the Willowbrook Community Plan Bylaw 1991 No. 3008

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

- 1. This Bylaw may be cited for all purposes as "Langley Official Community Plan Bylaw 1979 No. 1842 Amendment (Willowbrook Community Plan) Bylaw 1991 No. 3008 Amendment (Willowbrook Land Value Capture System) Bylaw 2020 No. 5582".
- 2. The "Langley Official Community Plan Bylaw 1979 No. 1842 Amendment (Willowbrook Community Plan) Bylaw 1991 No. 3008" as amended is further amended by:
 - a) adding the following Section 1.5:

1.5 Severability

If any part, section, sub-section, clause or sub-clause of this Bylaw is, for any reason, held to be invalid by the decision of a Court of competent jurisdiction, it shall be severed and the validity of the remaining provisions of this Bylaw shall not be affected.

b) adding the following Section 6.5:

6.5 Land Value Capture Resulting from SkyTrain Development

In December 2018, the regional Mayors' Council on Transportation directed TransLink to proceed immediately with planning and project development for a Surrey Langley SkyTrain Project. The Project would extend the Expo Line 16.5 kilometres on an elevated guideway from King George Station to Langley City Centre along Fraser Highway, with a station in the vicinity of Willowbrook Drive and Fraser Highway in the Township of Langley.

In January 2020, TransLink and the Township of Langley executed a Memorandum of Understanding (MOU) to affirm their full public commitment to facilitate, expedite and support the successful procurement, design, construction, operation and maintenance of the Project. One of the Township's commitments is to implement transit-oriented land use policies and provisions in relevant plans and permit approval processes. Accordingly, the Township intends to update the Willowbrook Community Plan to provide long-term policy guidance for transit-oriented development in the area.

Land value capture is a public financing tool. It enables communities to recover some or all of the increase in land value that public infrastructure investments (such as a SkyTrain station or a water main) generate for private landowners. The "recovered" land value is then re-invested to produce additional public benefit (such as parks,

libraries and affordable housing). An example of land value capture is the Community Amenity Contribution Policy that the Township adopted in 2018. Other examples include ongoing taxes on benefiting properties, special assessment districts and tax increment financing.

- 6.5.1 The Township shall update the Willowbrook Community Plan to meet the commitment to put in place and implement policies for transit-oriented development.
- 6.5.2 The Township shall develop a land value capture system for the Willowbrook area, consistent with the prevailing enabling legislation and the principles of nexus and proportionality to help ensure that the system is appropriate, fair and reasonable.
- 6.5.3 The land value capture system shall be based on the Total Assessed Value in the Municipal Tax Roll released by the British Columbia Assessment Authority for the 2018 taxation year. In other words, 2018 shall be the base year for the land value capture system.
- 6.5.4 The Township shall capture up to a 75% share of any increase in land value due to the transit infrastructure upgrades in the Willowbrook area.

READ A FIRST TIME the	(09	day of	March	, 2020
READ A SECOND TIME the	(09	day of	March	, 2020
PUBLIC HEARING HELD the			day of		, 2020
READ A THIRD TIME the			day of		, 2020
ADOPTED the			day of		, 2020
	Mayor				Township Clark



REPORT TO MAYOR AND COUNCIL

PRESENTED: FROM:

MARCH 9, 2020 - REGULAR EVENING MEETING

COMMUNITY DEVELOPMENT DIVISION

SUBJECT: WILLOWBROOK LAND VALUE CAPTURE SYSTEM

REPORT: 20-22

FILE:

6480-31-001

RECOMMENDATION:

That Council give first and second reading to Langley Official Community Plan Bylaw 1979 No. 1842 Amendment (Willowbrook Community Plan) Bylaw 1991 No. 3008 Amendment (Willowbrook Land Value Capture System) Bylaw 2020 No. 5582 and authorize staff to schedule the required public hearing.

EXECUTIVE SUMMARY:

At the Regular Evening Meeting on December 2, 2019, Council directed staff to prepare an amendment to the Willowbrook Community Plan to include policies for a system to capture up to a 75% share of land value increase, associated with anticipated transit infrastructure improvements in the Willowbrook area.

Land value capture is a public financing tool. It enables communities to recover some or all of the increase in land value that public infrastructure investments (such as a SkyTrain station or a water main) generate for private landowners. The "recovered" land value is then re-invested to produce additional public benefit (such as parks, libraries and affordable housing). An example of land value capture is the Community Amenity Contribution Policy that the Township of Langley Council adopted in 2018. Other examples include ongoing taxes on benefiting properties, special assessment districts and tax increment financing.

The proposed Bylaw would amend the Willowbrook Community Plan by adding new policies to:

- commit the Township to update the planning document,
- develop a land value capture system in the updated plan,
- set 2020 as the base year for the land value capture system, and
- indicate the Township's intention to capture up to 75% of any increase in land value as a result of transit infrastructure upgrades.

PURPOSE:

This report recommends new policies in the Willowbrook Community Plan to develop a Land Value Capture System.

BACKGROUND/HISTORY:

In 2018, the regional Mayors' Council on Transportation directed TransLink to proceed immediately with planning and project development for a Surrey Langley SkyTrain Project. The Project would extend the Expo Line 16.5 kilometres on an elevated guideway from King George Station to Langley City Centre along Fraser Highway, with a station in the vicinity of Willowbrook Drive and Fraser Highway in the Township of Langley.

At the Regular Evening Meeting on December 2, 2019, Council directed staff to:

- "review, consider and suggest the most appropriate process and timeline(s) to set a baseline land value in the Township of Langley, be it past and/or present to:
 - o fairly capture up to a 75% share of the land value increases within the Township of Langley due to the adjacent or nearby transit infrastructure that is being contemplated and planned for the Willowbrook area;
 - be referenced and relied upon by staff for public inquiries and future development applications or community plan reviews and update(s); and
- prepare a minor, interim amendment to the Willowbrook Community Plan for Council consideration to outline the Township of Langley's expectation to capture up to a 75% share of any lift in land value due to the transit infrastructure upgrades within the Willowbrook area that will likely be undertaken in some form in the future, subject to additional staff review and input to Council."

DISCUSSION/ANALYSIS:

Land value capture is a public financing tool. It enables communities to recover some or all of the increase in land value that public infrastructure investments (such as a SkyTrain station or a water main) generate for private landowners. The "recovered" land value is then re-invested to produce additional public benefit (such as parks, libraries and affordable housing). An example of land value capture is the Community Amenity Contribution Policy that the Township adopted in 2018. Other examples include ongoing taxes on benefiting properties, special assessment districts and tax increment financing.

An amendment to the Willowbrook Community Plan has been prepared for Council consideration. The amendment proposes to add new policies to the Willowbrook Community Plan that would commit the Township to (1) update the planning document, (2) develop a land value capture system, (3) set 2020 as the base year for the system, and (4) indicate the Township's intention to capture up to 75% of any increase in land value as a result of transit infrastructure upgrades.

Update the Willowbrook Community Plan

In January 2020, TransLink and the Township of Langley executed a Memorandum of Understanding (MOU) to affirm their full public commitment to facilitate, expedite and support the successful procurement, design, construction, operation and maintenance of the Project. One of the Township's commitments is to implement transit-oriented land use policies and provisions in relevant plans and permit approval processes. Accordingly, the Township will update the Willowbrook Community Plan to provide long-term policy guidance for transit-oriented development in the area. This work will commence in 2021.

Develop a Land Value Capture System

Consistent with Council's direction on December 2, 2019, work will be done to develop a land value capture system, as part of the Willowbrook Community Plan Update. This initiative will also dovetail a current study by Metro Vancouver and TransLink to look at opportunities for these agencies to meet different regional objectives (such as generating new revenue, increasing walking, cycling,

WILLOWBROOK LAND VALUE CAPTURE SYSTEM Page 3 . . .

and transit use, enabling transit-oriented affordable housing) through land value capture and urban development; and review a broad range of potential approaches (such as taxation, land acquisition and disposition, and development activities).

Set 2020 as the Base Year

It is recommended that 2020 be established as the base year for the proposed land value capture system, when the MOU between the Township and TransLink was executed.

Capture up to 75% Share of Land Value Increase

Based on best practices, and more particularly the approach that the City of Surrey has taken in its Community Amenity Contributions around proposed SkyTrain stations along Fraser Highway, a maximum of 75% is recommended for such a policy in the Township.

Respectfully submitted,

Jason Chu
MANAGER, COMMUNITY AND POLICY PLANNING
for
COMMUNITY DEVELOPMENT DIVISION