



REPORT TO MAYOR AND COUNCIL

PRESENTED:	JULY 12, 2021 - REGULAR MEETING	REPORT:	21-92
FROM:	COMMUNITY DEVELOPMENT DIVISION	FILE:	08-14-0214
SUBJECT:	DCC FRONTENDING AGREEMENT 1116005 BC LTD.		

RECOMMENDATION:

That Council authorize staff to execute the Drainage Development Cost Charges (DCC) Frontending Agreement with 1116005 BC Ltd. in the substantial form of a document presented as Attachment A for the provision of off-site drainage infrastructure for the Central Gordon and North East Gordon areas in the Willoughby Community Plan.

EXECUTIVE SUMMARY:

A rezoning application was received by the Township from 1116005 BC Ltd. (the developer) on September 19, 2018 for a 14-lot residential subdivision at 7122 and 7140 - 204 Street.

1116005 BC Ltd. satisfied one of the requirements to support rezone approval by the execution of a Servicing Agreement to secure the works and services necessary to support the proposed development including a community stormwater detention facility at no cost to the Township.

The proposed Drainage DCC Frontending Agreement provides the developer with a cost recovery mechanism to offset some of the upfront costs associated with the construction of the community stormwater detention facility required to facilitate the development of portions of the Central Gordon and NE Gordon areas in the Willoughby Community Plan.

Staff support the developer's proposal and recommend Council authorize execution of the subject DCC Frontending Agreement prepared pursuant to provisions of provincial legislation

PURPOSE:

The purpose of this report is to obtain Council's approval to execute a Drainage DCC Frontending Agreement with 1116005 BC Ltd.

BACKGROUND/HISTORY:

The applicant proposes to rezone property at 7122 and 7140 - 204 Street from Suburban Residential Zone SR-2 to Residential Zone R-1A for the development of 14 single family residential lots including a community stormwater detention facility at 20620 - 67 Avenue. The proposed facility replaces a smaller existing underground detention facility. Development permit and subdivision applications have also been submitted.

At its meeting of March 23, 2020, Council gave first and second readings to Rezoning Bylaw 2020 No. 5523 for proposed development in the Central Gordon area of the Willoughby Community Plan of the Township. A public hearing was subsequently held and third reading was granted by Council April 20, 2020.

One of the development prerequisites set by Council prior to consideration of final reading is the execution of a Servicing Agreement to secure the works and services including a community stormwater detention facility necessary to support the proposed development at no cost to the Township. The developer has satisfied the development prerequisites.

The Township supports the developer's proposal to apply for a DCC Frontending Agreement. The attached Drainage DCC Frontending Agreement provides the developer a cost recovery mechanism to compensate them for the upfront costs associated with the construction of the community stormwater detention facility required to facilitate the development of the areas of Central Gordon and NE Gordon in the Willoughby Community Plan.

DISCUSSION/ANALYSIS:

The DCC Frontending Agreement (the Agreement) proposed by the developer is a cost recovery mechanism, similar in concept to a Development Works Agreement (DWA), in that the cost of the proposed infrastructure is to be allocated to new growth within a specified benefiting area with no cost to the Township. Where the proposed Agreement differs from a DWA is in the following areas:

- The recovery of the costs is limited to DCCs that will be collected from development within the benefiting area over the term of the Agreement and does not include an additional charge;
- There is no requirement for a bylaw approval process; and
- The petition process, which is a mandatory requirement for a DWA, is not required subject to provisions outlined in the Community Charter.

The proposed DCC Frontending Agreement is for drainage works associated with the community stormwater detention facility. These works are identified in the current 2020 DCC program and scheduled for construction within the next 25 years. The works have been estimated to have a total design and construction cost of approximately \$6.5 million. The Agreement is intended to have a term of 15 years, over which DCCs collected from the specified benefiting area shall be forwarded to the developer, up to a maximum cost as prescribed in the DCC Bylaw.

The Township supports the developer's proposal to apply for a DCC Frontending Agreement. The attached Drainage DCC Frontending Agreement provides the developer a cost recovery mechanism to compensate them for the upfront costs associated with the construction of the community stormwater detention facility required to facilitate the development of the areas of Central Gordon and NE Gordon in the Willoughby Community Plan.

Applicable Policies:

Other existing Township bylaws and policies relevant to the attached DCC Frontending Agreement are Subdivision and Development Servicing Bylaw 2019 No. 5382, as amended; Latecomer Policy No. 07-353; and Neighbourhood Plan Policy No. 07-220.

Financial Implications:

There are not expected to be any financial implications to the Township as the works are financed by the developer. The municipal processing and administration costs are borne by the developer at a rate of \$7,500.

Respectfully submitted,

Dave Anderson
MANAGER, DEVELOPMENT ENGINEERING
for
COMMUNITY DEVELOPMENT DIVISION

ATTACHMENT A DCC Frontending Agreement

ATTACHMENT A

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY
DEVELOPMENT COST CHARGES (DCC) FRONTENDING AGREEMENT**

Project No. 08-14-0214 (Drainage)

THIS AGREEMENT dated for reference the _____ day of _____, 2021.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF LANGLEY, a
municipal corporation under the Municipal Act of the Province of
British Columbia and having its offices at 20338 - 65 Avenue,
Langley, BC V2Y 3J1

(the "Township")

OF THE FIRST PART

AND:

1116005 BC Ltd. a body corporate, duly incorporated under the laws of the
Province of British Columbia, having its place of business at 12638 - 59A
Avenue, Surrey, BC V3X 1V8

(the "Developer")

OF THE SECOND PART

- a) WHEREAS real property within the specified benefiting area is identified in the column entitled "Legal Description" in Schedule "A", attached hereto.
- b) AND WHEREAS the real property within the Benefiting Area is illustrated in Schedule "B", attached hereto.
- c) AND WHEREAS a community stormwater detention facility as described in Schedule "C" are required to be constructed.
- d) AND WHEREAS the Developer has undertaken the performance of its obligations required to be made pursuant to this Agreement.
- e) AND WHEREAS the Works are not currently scheduled for construction by the Township, but are contained within the Township's Engineering Servicing Plan.
- f) AND WHEREAS the Developer has requested that the Township advance the construction of the Drainage Works and has agreed to facilitate such construction for the development of the Benefiting Area.
- g) AND WHEREAS Council has entered into a separate Development Works Agreement with the Developer for the provision of the Works in accordance with Section 570 of *the Local Government Act*, RSBC 2015, c. 1 and amendments thereto (the "Act").

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the sum of TEN (\$10) DOLLARS of lawful money of Canada and other good and valuable consideration now paid by each of the parties hereto, to each of the other parties hereto, the receipt whereof is hereby acknowledged, the parties hereto hereby covenant, promise and agree with each other as follows:

1. DEFINITIONS

In this Agreement and in the recital above:

"Act" means the *Local Government Act*, RSBC 2015, c. 1, as revised, re-enacted or consolidated from time to time and any successor statute;

"Agreement" means this agreement and all Schedules attached hereto, which form part of the agreement;

"Benefiting Area" means the real property shown in Schedule "B" of the Agreement;

"Benefitting Parcel" means the real property within the Benefiting Area as described in Schedule "A" of the Agreement;

"Capital Cost" means actual costs incurred by the Developer to construct the Drainage Works. Costs are estimated at \$6,541,163.81;

"Council" means the elected Council of the Township;

"Developer" means 1116005 BC Ltd at 12638 59A Avenue, Surrey BC V3X 1V8;

"Development Cost Charge" and **"DCC"** means a charge imposed pursuant to the Township's Development Cost Charge Bylaw;

"Development Cost Charge Bylaw" means the Development Cost Charge Bylaw 2020 No. 5555, enacted by the Township under the *Act* as revised, re-enacted or consolidated from time to time and any successor bylaws;

"General Manager of Engineering" means the General Manager of Engineering for the Township or their designate;

"Lot" means a development unit used either for single or multi-family use;

"Subdivision and Development Servicing Bylaw" means the Township Subdivision and Development Servicing Bylaw 2019 No. 5382, enacted by the Township under the *Act* as such Bylaw is amended or replaced from time to time;

"Term" means the period of time the Agreement is in effect as specified in Section 4;

"Township" means the Corporation of the Township of Langley having its municipal office located at 20338 65 Avenue, Langley, British Columbia, V2Y 3J1; and

“Works” means Drainage Works and related appurtenances substantially as described in Schedule “C”.

2. AREA SUBJECT OF AGREEMENT

The Benefiting Area is the subject of this agreement.

3. CREDIT FOR WORKS

- a) The Township agrees to credit the Developer the Drainage Development Cost Charge for each additional lot created within the Benefiting Area but shall not exceed \$2,523,061.00 without interest.
- b) In the event of the assignment or transfer of the rights of the Developer voluntarily, or by operation of law, the General Manager of Engineering shall pay any benefits accruing hereunder, after notice, to such successor of the Developer as the General Manager of Engineering, in their judgment deems entitled to such benefits; and in the event of conflicting demands being made upon the Township for benefits accruing under this Agreement, then the Township may at its option commence an action in interpleader joining any party claiming rights under this Agreement, or other parties which the Township believes to be necessary or proper, and the Township shall be discharged from further liability upon paying the person or persons whom any court having jurisdiction of such interpleader action shall determine, and in such action the Township shall be entitled to recover its legal fees and costs, which fees and costs shall constitute a lien upon all funds accrued or accruing pursuant to this Agreement.
- c) The Township is not responsible for financing any of the costs of the Works.
- d) In consideration of the completion of the Works by the Developer to the satisfaction of the General Manager of Engineering, the Township shall pay to the Developer upon Substantial Completion, then on an annual basis, Development Cost Charges for Drainage works to the extent the Drainage component of the Development Cost Charges have been collected and are received by the Township under the Development Cost Charge Bylaw, until the total Capital Cost of the Works is paid to the Developer, without interest.
- e) Any payment made by the Township under this Agreement will be paid to the Developer at the address of the Developer set out in this Agreement or at such other address as the Developer shall provide in writing. If the said payments are returned to the Township unclaimed by the Developer and if the Township is unable to locate the Developer after all reasonable efforts, then the Township shall hold all monies collected until the expiry of this Agreement. After the expiry of this Agreement, the Township shall forever retain all such unclaimed funds.

4. TERM

- a) The term of this Agreement shall commence upon the execution date by the Township and shall expire no later than fifteen (15) years after that date.
- b) In the event that the Developer fails to complete the Works within twenty-four (24) months after the Agreement execution date, the Agreement shall lapse; provided, however, that the Developer may request to extend the period of this Agreement on such terms and conditions that the Township may deem reasonable. Any extension of the Agreement is at the sole discretion of the Township. This Agreement shall terminate prior to the expiry of the Term in the event the Developer has been credited with the maximum recoverable sum of \$2,523,061.00 without interest.

5. INDEMNITY

The Developer covenants and agrees to indemnify and save harmless the Township against:

- a) All actions and proceedings, costs, damages, expenses, claims and demands whatsoever and by whomsoever brought by reason of the construction, installation, maintenance or repair of the Works; and
- b) All expenses and costs which may be incurred by reason of the construction, installation, maintenance or repair of the Works.

6. TOWNSHIP'S COSTS

The Developer shall pay to the Township, by cash or bank draft, prior to the Township executing this Agreement, a fee equivalent to \$7,500 for the preparation, registration and administration of this Agreement.

7. NOTICES

- a) Any notice, demand, acceptance or request required to be given hereunder in writing shall be deemed to be given if either personally delivered or mailed by registered mail, postage prepaid (at any time other than during a general discontinuance of postal services due to a strike, lockout or otherwise) and addressed to the Developer as follows:

1116005 BC Ltd.
12638 - 59A Avenue
Surrey, BC V3X 1V8

or such change of address as the Developer has, by written notification, forwarded to the Township, and to the Township as follows:

The Corporation of the Township of Langley
20338 - 65 Avenue
Langley, BC V2Y 3J1

Attention: Manager of Development Engineering

or such change of address as the Township has, by written notification, forwarded to the Developer.

- b) Any notice shall be deemed to have been given to and received by the party to which it is addressed:
 - i. if delivered, on the date of delivery; or
 - ii. if mailed, then on the fifth (5th) day after the mailing thereof.

8. BINDING ON SUCCESSORS

- a) It is hereby agreed by and between the parties hereto that this Agreement shall be enforceable by and against the parties, their successors and assigns.
- b) The Developer shall not assign or transfer its interest in this Agreement without the prior written consent of the Township, which consent shall not be unreasonably withheld.

9. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof.

10. LAWS OF BRITISH COLUMBIA

This Agreement shall be interpreted under and is governed by the applicable laws of Canada and the Province of British Columbia.

11. SCHEDULES

The Schedules attached hereto, which form part of this Agreement, are as follows:

- a) Schedule "A" – Benefiting Parcels
- b) Schedule "B" – Benefiting Area
- c) Schedule "C" – Description of the Works

IN WITNESS WHEREOF

the parties hereto have executed this contract the day and year first above written.

FOR CORPORATE
BODY

SIGNED BY:)

))

_____))

In the presence of:)

(witness):)

Signature _____))**Name** _____))**Address** _____))**Occupation** _____))FOR THE
CORPORATION OF
THE TOWNSHIP OF
LANGLEY

SIGNED BY GENERAL MANAGER,)

ENGINEERING & COMMUNITY)

DEVELOPMENT)

For and on behalf of)

THE CORPORATION OF THE)

TOWNSHIP OF LANGLEY)

_____))

GENERAL MANAGER, ENGINEERING)**& COMMUNITY DEVELOPMENT**)

_____))

SIGNED BY TOWNSHIP)

CLERK)

For and on behalf of)

THE CORPORATION OF THE)

TOWNSHIP OF LANGLEY)

_____))

TOWNSHIP CLERK)

_____))

In the presence of:)

(as to both Township signatures))

_____))

Name:)

Address:)

Occupation:)

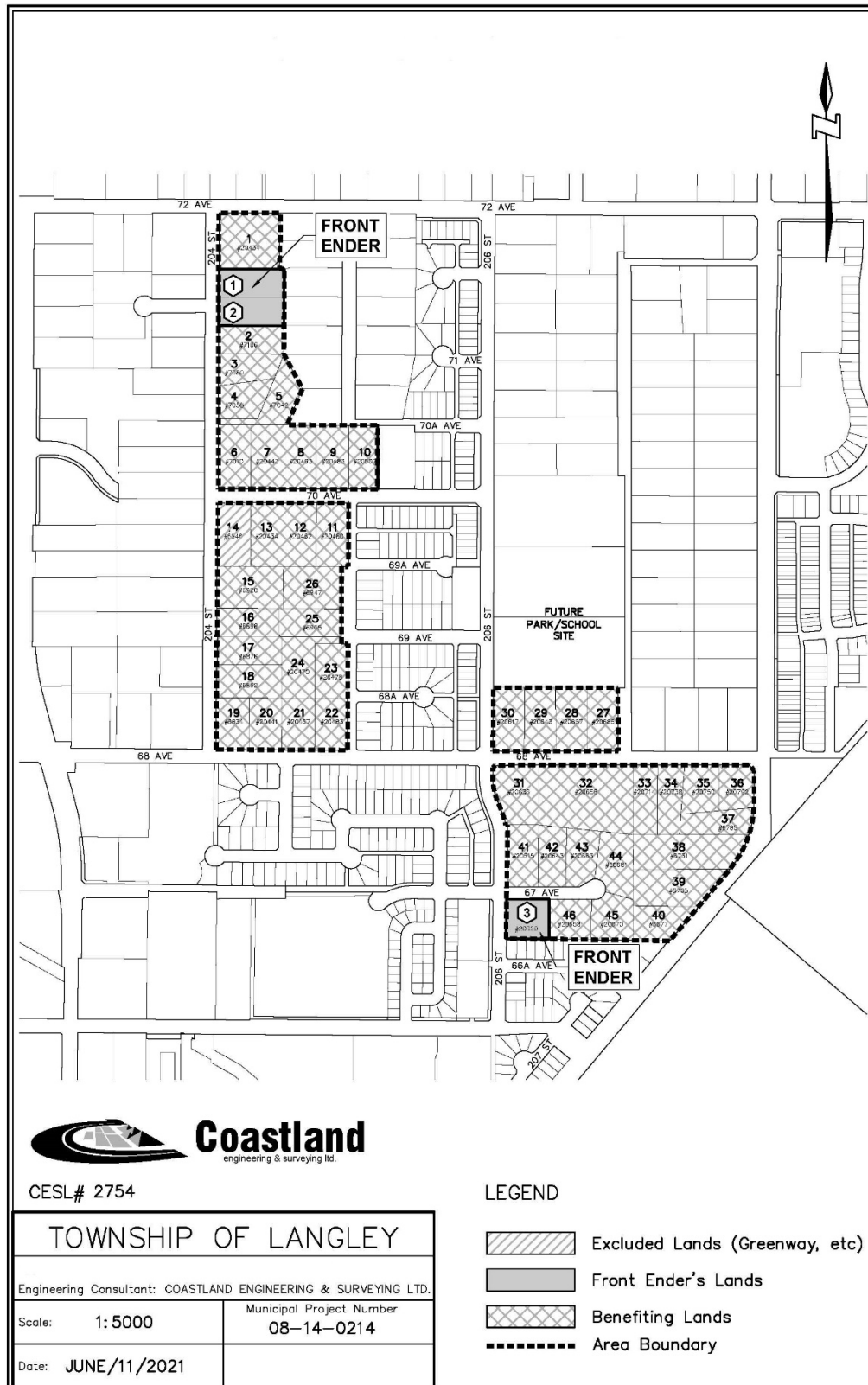
SCHEDULE "A"
BENEFITING PARCELS

Map ID	Parcel Identifier	Civic Address	Legal Description	Net Dev. Area (ha)
1	000-572-632	20434 72 AVE	LT 11, SEC 14, TWP 8, NWD, PL NWP68056	0.65
2	002-854-627	7106 204 ST	LT 48, SEC 14, TWP 8, NWD, PL NWP61764	0.29
3	004-893-981	7080 204 ST	LT 1, SEC 14, TWP 8, NWD, PL NWP72210	0.37
4	004-893-999	7058 204 ST	LT 2, SEC 14, TWP 8, NWD, PL NWP72210	0.37
5	004-894-014	7042 204 ST	LT 3, SEC 14, TWP 8, NWD, PL NWP72210	0.44
6	009-265-481	7010 204 ST	LT 8, SEC 14, TWP 8, NWD, PL NWP22544	0.45
7	009-265-473	20443 70 AVE	LT 7, SEC 14, TWP 8, NWD, PL NWP22544	0.46
8	009-271-821	20463 70 AVE	LT 6, SEC 14, TWP 8, NWD, PL NWP22544	0.46
9	009-271-805	20483 70 AVE	LT 5, SEC 14, TWP 8, NWD, PL NWP22544	0.36
10	006-080-294	20507 70 AVE	LT 40, SEC 14, TWP 8, NWD, PL NWP46475	0.27
11	009-271-791	20480 70 AVE	LT 4, SEC 14, TWP 8, NWD, PL NWP22544	0.29
12	009-271-783	20462 70 AVE	LT 3, SEC 14, TWP 8, NWD, PL NWP22544	0.36
13	001-950-151	20434 70 AVE	LT 2, SEC 14, TWP 8, NWD, PL NWP22544	0.4
14	009-271-775	6946 204 ST	LT 1, SEC 14, TWP 8, NWD, PL NWP22544	0.43
15	003-411-141	6920 204 ST	LT 49, SEC 14, TWP 8, NWD, PL NWP63748	0.52
16	006-080-022	6898 204 ST	LT 41, SEC 14, TWP 8, NWD, PL NWP46469	0.33
17	008-649-898	6876 204 ST	LT 1, SEC 14, TWP 8, NWD, PL NWP75905	0.34
18	002-895-323	6862 204 ST	LT A, SEC 14, TWP 8, NWD, PL NWP70837	0.39
19	001-091-859	6834 204 ST	LT 68, SEC 14, TWP 8, NWD, PL NWP65861	0.33
20	003-683-231	20441 68 AVE	LT 69, SEC 14, TWP 8, NWD, PL NWP65861	0.31

Map ID	Parcel Identifier	Civic Address	Legal Description	Net Dev. Area (ha)
21	000-847-593	20467 68 AVE	LT 1, SEC 14, TWP 8, NWD, PL NWP68672	0.28
22	000-847-607	20483 68 AVE	LT 2, SEC 14, TWP 8, NWD, PL NWP68672	0.31
23	008-649-910	20478 69 AVE	LT 3, SEC 14, TWP 8, NWD, PL NWP75905	0.31
24	008-649-901	20470 69 AVE	LT 2, SEC 14, TWP 8, NWD, PL NWP75905	0.4
25	006-080-057	6905 205 ST	LT 42, SEC 14, TWP 8, NWD, PL NWP46469	0.32
26	003-411-168	6947 205 ST	LT 50, SEC 14, TWP 8, NWD, PL NWP63748	0.39
27	007-152-591	20685 68 AVE	LT 32, SEC 14, TWP 8, NWD, PL NWP43913	0.43
28	007-152-582	20657 68 AVE	LT 31, SEC 14, TWP 8, NWD, PL NWP43913	0.43
29	005-928-273	20643 68 AVE	LT 25, SEC 14, TWP 8, NWD, PL NWP41072	0.43
30	010-866-183	20617 68 AVE	LT 1, SEC 14, TWP 8, NWD, PL NWP6351	0.43
31	026-979-403	20636 68 AVE	LT G, DL 311, NWD, PL BCP28543	0.58
32	000-735-906	20658 68 AVE	LT 81, DL 311, NWD, PL NWP27953	1.17
33	000-821-918	20714 68 AVE	LT 1, DL 311, NWD, PL NWP68504	0.32
34	000-821-926	20738 68 AVE	LT 2, DL 311, NWD, PL NWP68504	0.37
35	000-821-934	20750 68 AVE	LT 3, DL 311, NWD, PL NWP68504	0.37
36	000-821-942	20792 68 AVE	LT 4, DL 311, NWD, PL NWP68504	0.29
37	000-821-951	6785 208 ST	LT 5, DL 311, NWD, PL NWP68504	0.33
38	009-576-720	6731 WILLOWBROOK CONNECTOR	LT 3, DL 311, NWD, PL NWP20869	0.71
39	009-576-711	6705 WILLOWBROOK CONNECTOR	LT 2, DL 311, NWD, PL NWP20869	0.54
40	009-576-703	6677 WILLOWBROOK CONNECTOR	LT 1, DL 311, NWD, PL NWP20869	0.32
41	000-799-688	20615 67 AVE	LT 1, DL 311, NWD, PL NWP68306	0.42
42	000-799-696	20643 67 AVE	LT 2, DL 311, NWD, PL NWP68306	0.37

Map ID	Parcel Identifier	Civic Address	Legal Description	Net Dev. Area (ha)
43	000-799-700	20663 67 AVE	LT 3, DL 311, NWD, PL NWP68306	0.37
44	000-799-718	20681 67 AVE	LT 4, DL 311, NWD, PL NWP68306	0.35
45	000-799-726	20670 67 AVE	LT 5, DL 311, NWD, PL NWP68306	0.37
46	000-799-734	20658 67 AVE	LT 6, DL 311, NWD, PL NWP68306	0.37
FE1	000-787-949	7140 204 ST	LT 46, SEC 14, TWP 8, NWD, PL NWP62230	0.28
FE2	002-269-031	7122 204 ST	LT 47, SEC 14, TWP 8, NWD, PL NWP61764	0.28
FE3	000-799-751	20620 67 AVE	LT 7, DL 311, NWD, PL NWP68306	0

SCHEDULE "B" **BENEFITING AREA**



SCHEDULE "C"**DESCRIPTION OF THE WORKS**

Construction of a community stormwater detention facility all in accordance with the Township of Langley Subdivision and Development Servicing Bylaw, per design drawings numbered 2754 sheets 1 to 20 inclusive, prepared by Coastland Engineering & Surveying Ltd. dated July 2020 and accepted by the Township March 10, 2021.

Applicable DCC Project ID Number from Development Cost Charge Bylaw 2020 No. 5555 related to the works is as follows:

DCC Project ID Number	Description
18 D 087	Pond 5 + Diversion
18 D 091	Pond 2