



SPECIAL MEETING FOR BUDGET PURPOSES

Monday, February 3, 2020 at 2:30 PM
Fraser River Presentation Theatre
4th Floor, 20338 – 65 Avenue, Langley, BC

MINUTES

PRESENT: Mayor J. Froese

Councillors P. Arnason, D. Davis, S. Ferguson, M. Kunst, B. Long,
B. Whitmarsh, and E. Woodward

M. Bakken, C. Blair, S. Gamble, S. Harvey-Renner, M. Power, S.
Scheepmaker, R. Seifi, K. Sinclair, P. Tulumello, and J. Winslade

W. Bauer, K. Mahil, S. Nam, and K. Stepto

A. ADOPTION AND RECEIPT OF AGENDA ITEMS

A.1 Special Council Meeting for Budget Purposes Agenda - February 3, 2020

Moved by Councillor Ferguson,
Seconded by Councillor Davis,
That Council adopt the agenda and receive the agenda items of the
Special Council Meeting for Budget Purposes held February 3, 2020.
CARRIED

B. PRESENTATIONS

B.1 Willoughby Arterial Road Completion Amenity Policy

R. Seifi provided a presentation regarding the Willoughby Arterial Road Completion Amenity Policy. He provided a brief outline of the history regarding the timeline of material previously presented to Council. This proposed policy would be an alternative approach to complete key sections of the arterial road network in Willoughby, with the potential to apply a similar model in Brookwood-Fernridge. The presentation was in response to Council's request for explanation of amendments that were previously considered but not accepted by Council. The Local Government Act empowers municipalities to impose requirements in relation with development applications to ensure infrastructure, amenities, and services are in place to support growth. These requirements include: provision of works and services, and payment of fees and charges. Development Cost Charges (DCC's) are specifically provided for in the Local Government Act, and are subject to provincial approval, monies collected from developers to assist local governments with capital construction cost for specific

infrastructure including: roads, sewage, drainage, water, and parks. However, Community Amenity Contributions (CACs) are not explicitly discussed, but have been provided for as part of the “bonus” density provisions of the Act, and may be used to negotiate amenity contributions from those seeking a change in zoning. An Arterial Road Completion Amenity Policy would be a model to facilitate collection of funds to assist with the cost of acquiring the land (non-DCC) necessary to complete key sections of arterial roads in a defined area.

Key policy elements would include:

1. Identify the key sections of roads;
2. Calculate the area needed for the widening based on ultimate municipal standards, less the portion that currently exists;
3. Calculate the total acquisition cost, based on as assumed (current market value) acquisition cost per acre (A);
4. Define the area that will be subject to the policy;
5. Calculate the total area of all private lands that have not yet been developed (B);
6. Calculate the target amenity contribution cost per acre by dividing total acquisition cost (A) by total developable area (B);
7. All developers in specified area will be subject to policy (contribution of target amounts) – in order to address an identified public amenity need – as part of Council’s consideration of zoning bylaw amendments;
8. Contributions collected are intended to be utilized to acquire the land to complete the said public amenities;
9. If a developer is able to provide the amenity, the value of the amenity provided by the developer will be deducted from the cost of their specific target contribution amount; and
10. If adopted, a secondary and supplemental consideration would be the implementation strategy.

He noted that the total area of land to be developed and subject to the policy has been estimated at approximately 900 acres, and must be verified at a future date, subject to Council’s direction to proceed.

Implementation includes the following three options:

1. Now: Borrowing to acquire the amenities prior to development and subsequent accumulation of contribution funds;
2. Later: Collecting contribution amounts until such time as required amount is accumulated for all sections of roads before proceeding with the acquisition and construction; or
3. Hybrid: Selective acquisition of some sections with borrowing, or upon accumulation of necessary funds, or a combination of funding options.

MEETING RECESSED

The meeting recessed at 4:05pm.

MEETING RECONVENED

The meeting reconvened at 4:11pm.

B.2 2020 Draft Capital Budget Presentation

K. Sinclair continued to review the projects for each department that were inside and outside the funding envelope.

The following items were flagged for further discussion:

- Stormwater Climate Change Adaptation Study – could this be considered a one-time expense and be moved inside the funding envelope?
- Can we use the Landfill Reserve to help fund the Blair Farm property rehabilitation?

The Capital Funding Options were presented:

Option 1

- Maintain 2019 Contribution to Capital (CTC) levels. This scenario will fund \$3.7 million less capital than in 2019.
- This option assumes no change in the Operating Contribution to Capital and a \$2.2million reduction in the transfer to the Capital Infrastructure Renewal and Replacement Reserve.
- Property Tax increase – 3.86%

Option 2

- Trade \$1million CTC for debt.
- This option shows the 2020 Operating CTC being reduced by approximately \$1 million and having it be replaced by a \$1 million provision for debt servicing.
- Property Tax increase – no impact on the increase of 3.86%

Option 3

- Trade \$1million CTC for debt and reduce operating budget by \$1million.
- This option shows the 2020 Operating CTC being reduced by approximately \$2million but only \$1million used for debt servicing which will support new borrowing of almost \$16million.
- The other \$1 million will go to reducing the tax supported bottom line resulting in a net reduction of 0.75% to property tax increase (3.86% becomes 3.11%).

Option 4

- Trade \$1million CTC for debt and allocate \$1million to additional items in Operating.

- \$1million in debt could secure approximately \$16million in borrowing proceeds to fund capital
- Property Tax increase – no impact on the increase of 3.86% but \$1million of Programs and/or Discretionary Items funded.

Option 5

- Trade \$1million CTC for debt and allocate \$2million to additional items in Operating.
- \$1million in debt could secure approximately \$16million in borrowing proceeds to fund capital.
- Property Tax increase – no impact on the increase of 3.86% but \$2million of Programs and/or Discretionary Items funded.

Options for borrowing proceeds:

- Option 1 - \$0million
- Option 2 - \$14.4million
- Options 3 and 4 - \$13.4million
- Option 5 - \$12.4million

K. Sinclair provided a written response to each of the items that were flagged for further discussion at the January 27 meeting.

MOTION

Moved by Councillor Long,

Seconded by Councillor Kunst,

That Council receive and refer the 2020 Capital Budget to a special budget meeting of Council on February 10, for purposes of further consideration, discussion and approval, along with a revised budget timeline.

CARRIED

C. OTHER BUSINESS

D. TERMINATE

Moved by Councillor Davis,

Seconded by Councillor Long,

That the meeting terminate at 5:32pm.

CARRIED

CERTIFIED CORRECT:

Mayor

Township Clerk