



REPORT TO COUNCIL

To: **Mayor and Councillors**

Subject: Eligible School Site Proposal and School Site
Acquisition Charge Update

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From: Roy M. Beddow, RPP, MCIP
Deputy Director of Development Services

Date: September 21, 2021

RECOMMENDATIONS:

THAT Council:

1. Accept the School District No. 35 Eligible School Sites Proposal adopted by Langley Board of Education at its meeting on September 21, 2021; and
2. Request that the School Site Acquisition Charges collected in the City of Langley be utilized to fund capital improvements of school facilities in the City of Langley.

PURPOSE:

To consider the new Eligible School Sites Proposal and School Site Acquisition Charge proposed by School District No. 35.

POLICY:

Division 20 of the *Local Government Act* provides for the establishment of School Site Acquisition Charges “to assist boards of education to pay the capital costs of meeting eligible school site requirements”. Eligible school site requirements are determined in consultation with applicable local governments based on projected growth in accordance with Section 574 of the *Act*. School Site Acquisition Charges (SSAC’s) are set using a formula in Section 575 of the *Act* while development categories and maximum fees are defined in the “School Site Acquisition Charge Regulation”. SSAC’s are payable to local governments at the same time as development cost charges: prior to building permit issuance or subdivision approval.

COMMENTS/ANALYSIS:

1. Background

The Langley Board of Education received a staff report (Attachment 1) on the proposed new School Site Acquisition Charge at its meeting on June 15, 2021 and passed a motion to notify the public of its intention to consider an Eligible School Sites Resolution at the Board’s meeting on September 21, 2021. The school board subsequently adopted the resolution (Attachment 2) as planned on September 21, 2021, triggering a 60-day referral period for formal consideration by the affected local governments (i.e. City and Township of Langley). Under Section 574(6) of the *Act*, a local government Council must pass a resolution accepting or not accepting (and stating the objections and reasons therefore) the proposed Eligible School Sites.

2. Proposed New SSAC’s

The existing School Site Acquisition Charges were adopted by the Langley Board of Education by bylaw on February 25, 2014. The Charges were based on 10-year growth projections and the resultant school site requirements at the time. School District No. 35 now wishes to update its SSAC’s based on the latest projections and anticipated land costs. Accordingly, SD35 has consulted with City and Township of Langley staff over the last year to develop the necessary growth projections for determining school site requirements and costs for the next 10 years.

SD35 10-Year Growth Projections

Township of Langley	Units	Students
Single Detached	1,900	1,634
Townhouse	4,500	2,850
Rowhouse	500	300
<u>Apartment</u>	<u>7,000</u>	<u>380</u>
Subtotal	13,900	5,164
City of Langley	Units	Students
Single Detached	40	30
Townhouse	563	355
Rowhouse	0	0
<u>Apartment</u>	<u>1,879</u>	<u>105</u>
Subtotal	2,482	490
Total	16,382	5,654

Based on the growth projections which foresee the addition of 16,382 new dwelling units and 5,654 new students, seven new school sites will be required in the district for five new elementary schools and two new middle schools.

SD35 10-Year Growth Required School Sites

School Site	Area	Estimated Cost
Willoughby Middle	17 acres (6.880 ha)	\$54,400,000
Brookwood/Fernridge Middle	15 acres (6.070 ha)	\$48,000,000
SW Latimer Elementary	5 acres (2.023 ha)	\$16,000,000
William Elementary	5 acres (2.023 ha)	\$16,000,000
Smith Elementary	5 acres (2.023 ha)	\$16,000,000
Brookwood/Fernridge Elementary	5 acres (2.023 ha)	\$16,000,000
Brookwood/Fernridge Elementary	5 acres (2.023 ha)	\$16,000,000
Total	57 acres (23.065 ha)	\$182,400,000

All of the required new school sites are located in the Willoughby or Brookwood/Fernridge areas of the Township of Langley. The comparatively lower growth in students projected for the City of Langley can be accommodated on existing school sites within the City, though building renovations and/or new additions on these school sites will likely be necessary over the long term to accommodate new student demand. Staff note that School District No. 35's 5-Year Capital Plan Update is allocating \$15,815,994 for an "8-classroom expansion" of Nicomekl Elementary School in the 2023/2024 fiscal year.

In order to help offset the capital costs of the required new school sites, School District No. 35 is proposing to increase the School Site Acquisition Charges as shown below.

SD 35 School Site Acquisition Charge

Development Type	Current	Proposed	\$ Increase	% Increase
Low Density (<21 units/ha)	\$ 737	\$ 1,000	\$ 263	35.7 %
Medium Low Density (21-50 units/ha)	\$ 664	\$ 900	\$ 236	35.5 %
Medium Density (51-125 units/ha)	\$ 590	\$ 800	\$ 210	35.6 %
Medium High Density (126-200 units/ha)	\$ 516	\$ 700	\$ 184	35.7 %
High Density (>200 units/ha)	\$ 443	\$ 600	\$ 157	35.4 %

The proposed increases are to the maximum levels allowed by the Province under the "School Site Acquisition Charge Regulation" for each development type.

3. City of Langley Consideration

The increases sought by the school district to the existing SSAC's are significant in percentage terms (35-36%) but relatively modest in absolute terms (\$157 - \$263). In the context of total development cost levies payable on residential developments in the City of Langley, the proposed charges would increase the overall costs by approximately 1% (0.95-1.20%), depending on the development type.

Proposed New SSAC in Context (\$/Unit)

Typical Development	City DCC	GVS&DD DCC	TransLink DCC	City CAC	SD35 SSAC	Total
Single Family Lot	\$18,409	\$5,428	\$2,975	\$0	\$1,000	\$27,812
Townhouse (21-50 units/ha)	\$14,503	\$4,695	\$2,470	\$2,000	\$900	\$24,568
Apartment (51-125 units/ha)	\$9,549	\$3,530	\$1,545	\$2,000	\$800	\$17,424
Apartment (126-200 units/ha)	\$9,549	\$3,530	\$1,545	\$2,000	\$700	\$17,324
Apartment (>200 units/ha)	\$9,549	\$3,530	\$1,545	\$2,000	\$600	\$17,224

In 2013 the City of Langley rejected SD35's Eligible School Sites proposal on the basis that the new SSAC unfairly applied to development in the City since its projected growth did not necessitate the acquisition of any new school sites. In its rejection resolution Council requested that separate SSAC's be established for the City and Township of Langley (see Attachment 3). The dispute was ultimately resolved in the school district's favour by the Minister of Education (see Attachment 4) and the current charges came into effect in both municipalities in 2014.

The City also raised its concern with the single SSAC at the 2017 UBCM meeting, but again the Minister of Education responded by noting that SD35 was within its rights under the legislation to collect SSAC's "within the entirety of its legal jurisdiction, without particular regard to local government boundaries" (see Attachment 5). Staff believe that a similar request for the establishment of separate SSACs in this instance is unlikely to be supported by the Province.

As no school site acquisitions will be within the City of Langley, staff note that development occurring within the City will continue to contribute toward school site acquisitions in the Township of Langley, but also place more growth pressure on the City of Langley's existing school buildings, especially in terms of more demand for additional student spaces as the City grows over the next 20 years.

While the proposed eight-classroom expansion of the Nicomekl Elementary School is a positive first step, staff recommend an alternate approach be established where the SSACs collected in the City are used to fund the future expansion of school buildings on existing sites in the City of Langley. This will be especially important to ensure existing school site buildings in the City are appropriately renovated, expanded or entirely reconstructed to keep up with new growth expected to occur over the next 20 years and with the planned arrival of SkyTrain.

BUDGET IMPLICATIONS:

The proposed increase to the School Site Acquisition Charge could limit the City's ability in the future to increase its own development cost charges and community amenity contributions since there is a finite capacity in the industry to absorb new charges without discouraging residential development.

SUMMARY:

In light of the City's prior experiences noted above, the modest level of increase sought and SD35's extensive consultation in developing its growth projections, staff recommend that the City accept the new Eligible School Sites Proposal. However, as also noted above, it will be important to ensure there is an adequate capital funding source to enable the continued renovation and expansion of school buildings in the City, and thus staff also recommend that the SSACs collected in the City of Langley be used to fund capital improvements of school facilities in the City.

ALTERNATIVES:

1. That Council reject SD35's Eligible School Sites proposal on the basis that the new SSAC unfairly applies to development in the City since its projected growth does not necessitate the acquisition of any new school sites, and that the current SSAC collected in the City is not used to fund capital improvements to school facilities in the City.

Respectfully Submitted,



Roy M. Beddow, RPP, MCIP
Deputy Director of Development Services

Concurrence:



Carl Johannsen, RPP, MCIP
Director of Development Services

Attachment(s):

1. September 22, 2021 Letter from School District No.35
2. SD35 Staff Report to Langley Board of Education – June 15, 2021
3. SD35 Eligible School Sites Resolution – September 21, 2021
4. City Letter to SD35 – November 1, 2013
5. Minister of Education Letter to City – April 2, 2014
6. Minister of Education Letter to City – November 3, 2017

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer