

Title: Recovery of Capital Costs Incurred for New or Expanded Infrastructure Policy No: 6118

Approval: County Council

Effective Date: July 3, 2012

Amended Date: February 2, 2016



December 18, 2012, April 2, 2013
Supersedes Policy: Nil

Policy Statement: In order to recover the capital costs incurred or to be incurred by the Woodlands County ("the County") for new, expanded or upgraded municipal infrastructure, developers of lands that benefit from the new, expanded or upgraded municipal infrastructure shall be required, to contribute, on a proportionate basis, to the capital costs as a condition of development permit approval or subdivision approval.

Purpose: To collect a proportionate recovery of capital costs from developers and landowners that benefit from new, expanded or upgraded municipal infrastructure constructed or financed by the County.

Principles:

1. Capital costs shall include any amounts the County must pay to adjacent municipalities for the extension of municipal services into the County from those municipalities.
2. For the purposes of this policy municipal infrastructure includes roads, water services and sewer services.
3. The proportionate share of the costs to be paid by a developer or landowner for the new, expanded or upgraded municipal infrastructure ("Cost Contribution Fee") shall be determined by the County based on consideration of the benefit to be received by the developer's lands and other benefitting lands and the costs incurred by the County.
4. The preferred time to collect the Cost Contribution Fee is at the time of subdivision for new developments. This will be collected through the imposition of a condition of subdivision approval that requires payment of the Cost Contribution Fee prior to endorsement of the subdivision approval.
5. For multi-lot subdivisions the County may, subject to Council approval, allow the developer to pay the Cost Contribution Fee over time provided that the developer enters into an agreement with the County setting out the terms of the payment process. The agreement shall require that that developer
 - a. post a letter of credit or cash guarantee for 20% of the total payable Cost Contribution Fee,
 - b. register an encumbrance agreement against all of the lots in the subdivision charging each of the lots with its proportionate share of the Cost Contribution Fee;
 - c. pay the Cost Contribution Fee for a lot when that lot is sold or transferred to a third party;
 - d. pay the Cost Contribution Fee when the lot is connected to water or sewer services if the lot is not sold or transferred to a third party; and
 - e. pay the full Cost Contribution Fee within five years of the date of the payment agreement.

The security held by the County shall be released when the Cost Contribution Fee is paid in full.

6. The County shall at the time of the issuance of a development permit for land where subdivision is or was not required prior to the land being developed, impose a condition as part of the development permit approval requiring the developer to pay the Cost Contribution Fee for the land in the amount and at the time specified in the condition.
7. In regards to existing development, where no further subdivision or development is expected to occur, the County may charge a Service Connection Fee when a landowner requests to be connected to the municipal water and sewer services in accordance with the Water and Sewer Bylaw, Bylaw 415/13. The Service Connection Fee shall be equal to the Cost Contribution Fee that would have been charged for water and sewer services if the land had been the subject of a subdivision or application for a development permit.
8. All potential benefitting parcels, new development and existing parcels connecting to the municipal water and sewer services will be required to pay a Cost Contribution Fee in accordance with a bylaw if applicable.