City of Cold Lake

Development Agreement

Dated the _____ Day of _____, A.D. 2008,

Between

THE CITY OF COLD LAKE

-AND-

Subdivision Identification No.



City of Cold Lake

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MEMORANDUM OF AGREEMENT

THIS AGREEMENT made in quadruplicate this	day of	, A.D. 2008.
BETWEEN:		
THE CITY OF COLD LAKE, of 5513-48 Avenue, Cold Lake, in the (Hereinafter referred	e Province of Albe	
-AND		ARTY OF THE FIRST PART
(Hereinafter referred to	as "the Developer'	")
		OF THE SECOND PART
PREAMBLE		
WHEREAS the Developer is, or is entitled to become lands within the City of Cold Lake legally described on the tentative plan attached hereto as Schedule hectares of developing land;	l as	and shown outlined
AND WHEREAS the Developer has applied for Su Authority, at its meeting of, Subothe said subdivision in accordance with the aforest conditions and terms of approval that are attached entering into of this Agreement for the servicing of	livision File No aid tentative plan, a hereto as Schedu	approved and subject to certain
AND WHEREAS the Developer is required to subremotion Servicing Standards and Standard Co Plans"), to the Director of Planning and Developme construction of certain local improvements, and where the Director of Public Works and Infrastructure Ser commencement of any construction and shall be determined.	enstruction Specificent of the City (the pich Engineered Pl vices of the City (t	cations, (the "Engineered "City Planner"), for the lans shall be approved by the "City Engineer") prior to
AND WHEREAS the Developer proposes to constiputation phase shall be referred to as "the Development Are first install and construct local improvements, utilities Engineered Plans in and around the portion of the phase of the Subdivision, encompassing he in Schedule "A" and will proceed in an orderly fashinstallation and construction of certain local improve Development Area in accordance with the Engineer and conditions hereinafter contained;	ea" and the Develoes and other service Development Are ctares of developing of the ements and utilities	oper further proposes to ces, as required by the ea which forms the first ng lands, which is outlined e Lands through the es, necessary for Phase 2

NOW THEREFORE in consideration of the premises and of the mutual terms, covenants and conditions herein contained, the parties hereto hereby covenant and agree as follows:



PART 1 – ADMINISTRATION

1.1 General

- a) Upon execution of this Agreement, the Developer shall pay the sum of fifteen hundred (\$1,500.00) dollars in accordance with the planning and development schedule of fees bylaw for the administration of the development agreement.
- b) No construction or development of any kind, including for servicing this subdivision, shall take place in or around the Lands without application having been made to the City, and obtaining written Notice to Proceed as attached hereto in Schedule "C". This Agreement does not constitute a Development Permit or any other permit or agreement of the City.
- c) If the Developer begins work on the development prior to the issuance of a Notice to Proceed the City shall place a stop work order on the development and the Developer shall be charged a penalty of 10% of the estimated construction costs as determined under Section 3.3 of this Agreement.
- d) The Developer shall make application for Notice to Proceed for **Phase 1** (Schedule 'A' Development Area) within TWELVE MONTHS of the date on this agreement.
- e) The Developer shall, within a period of EIGHTEEN MONTHS from the date issuance of the Notice to Proceed for **Phase 1** (Schedule "A" Development Area), construct and install the local improvements and utilities required by the Engineered Plans and this agreement, throughout the Lands at its own cost and expense, in a good and workmanlike manner, in strict conformance with the plans and proper and accepted engineering practices, and in accordance with this Agreement and any requirements of law applicable to the work.
- f) The Developer shall make application for Notice to Proceed for **Phase 2** (Schedule 'A' Development Area) within TWELVE MONTHS of the date of issuance of a Construction Completion Certificate for Phase 1.
- g) The Developer shall, within a period of EIGHTEEN MONTHS from the date of issuance of the Notice to Proceed for **Phase 2**, construct and install the local improvements and utilities required by the Engineered Plans and this agreement, throughout the Lands at its own cost and expense, in a good and workmanlike manner, in strict conformance with the plans and proper and accepted engineering practices, and in accordance with this Agreement and any requirements of law applicable to the work.
- h) The Developer shall retain the services of a Professional Engineer, licensed to practice in the Province of Alberta (hereinafter referred to as the "Consulting Engineer"). This engineering consultant shall be responsible for all engineering and construction pertaining to the terms of this Agreement.
- The Consulting Engineer shall adhere to any guidelines and directives that may form part of the City of Cold Lake's Municipal Engineering Servicing Standards and Standard Construction Specifications.

1.2 Plans of Subdivision

- a) The final plans of subdivision, easement plans, utility right-of-way plans, utility right of way agreements and maintenance to access easement plans, road plans, general utility easement agreements, restrictive covenants and maintenance or access easement agreements, shall all require the approval of the City, and any other necessary governmental authority and approval, followed by registration in the North Alberta Land Registration District at Edmonton, Alberta, must be obtained by the Developer prior to the Developer making application to the City Planner for any Construction Completion Certificate.
- b) As a condition precedent to the City considering those items set out in clause (a) above for approval, the Developer shall supply the City Planner with three (3) prints of the proposed plan of subdivision showing, or by separate list setting out, the width, length, and area as defined by the current Land Use Bylaw of each lot or parcel. The Developer covenants that once the items set out in clause (a) have been approved by the City no changes will be made without the City's express written consent agreeing to such change.
- c) The Developer agrees during the course of this Agreement to provide such copies of prints, reductions, mylars, etc., of the items set out to the City as it reasonably requires.
- d) Subject to s. 1.2(a) and (b) the City shall endorse a plan of subdivision for which Notice to Proceed has been issued. For example, upon issuance of a Notice to Proceed for Phase 1 the City shall endorse only the lots within that Phase 1.
- e) Subject to s. 1.2(d) if any phase in this Agreement has not been endorsed or registered within the time required by the Municipal Government Act then the City will, upon request from the Developer waive the subdivision approval extension fee and grant, without delay extension of the subdivision approval.

1.3 Municipal Reserve MR Dedication

a)	The developer is responsible to ensure that the provisions for Municipal reserve (MR) under the Municipal Government Act have been executed. The developer, at the time of subdivision, has provided 10 per cent MR dedication for the Development Area to the City through either/or a combination thereof: the dedication of land; cash in lieu; land deferral arrangement; or a land transfer arrangement.
b)	The Developer and City acknowledge that in respect of the total subdivision area, previous subdivision phases have included a total MR dedication of hectares towards the minimum 10% MR dedication requirement.

c)	The Developer and the City acknowledges that the developer is required to provide an additional hectares for MR dedication.
d)	The Developer and the City acknowledges that the outstanding hectares MR dedication has been deferred to the balance of the undeveloped portion of the Lands.

1.4 Agreed Plan Standards and Compliance with Codes

- a) The Developer acknowledges that he/she and his/her Consulting Engineer(s) are familiar with the City's Municipal Engineering Servicing Standards and Standard Construction Specifications for the design, construction, and installation of the local improvements, and agrees that all plans, materials and workmanship installed or to be performed on behalf of the Developer under this Agreement shall conform to such standards and specifications as set out and contained in the latest copy of the City of Cold Lake Municipal Engineering Servicing Standards and Standard Construction Specifications and any alterations to or amendments of such standards and specifications which may be agreed upon in writing by the City Engineer and as attached hereto in Schedule "D". The Developer further agrees to perform all work in strict conformance with proper and accepted engineering practices, and in accordance with any requirements of law and codes applicable to the work.
- b) If the City Engineer does not approve the plans or specifications submitted by the Developer or the Consulting Engineer on the grounds that the plans do not conform to the agreed standards and to proper and accepted design and engineering standards, the Developer shall be entitled to refer any matter in dispute or any difference between the Developer and the City Engineer to the Committee of the Whole or the Council of the City, and the decision of the Committee of the Whole or of the Council shall be final and binding, and such dispute or difference shall not be subject to arbitration hereunder;

1.5 Alberta Environmental Approvals

a) The Developer acknowledges that the proposed work requires notification of development be provide to Alberta Environment and that the Developer or their Consulting Engineer will provide required notification prior to the commencement of any construction.

1.6 Construction Plans & Specifications

- a) Plan Approvals the Developer or their Consulting Engineer shall submit to the City Planner, in duplicate, complete Engineered Plans, together with all contract specifications, storm water management analysis and plans, geotechnical reporting, and, landscaping and grading plans which shall provide and properly set out all information required for construction of the local improvements to be constructed and installed by the Developer in accordance with the Cold Lake Municipal Engineering Servicing Standards and Standard Construction Specifications, including any agreed to revisions or additions to the said standards contained in Schedule "D", and shall receive approval of the City Engineer prior to the commencement of any construction. All plans submitted for approval shall be processed as expeditiously as possible and in any event, shall be returned approved or rejected within thirty (30) days; or, if not returned within this time period, shall be deemed to be rejected.
- b) Revised Plans all plans required to be amended or revised by the Developer shall be resubmitted in duplicate for final approval of the City prior to commencement of construction. Upon final approval, the Developer agrees to provide the City Planner with two (2) sets of final plans and specifications and one (1) digital copy in AutoCAD format acceptable by the City.
- c) Changes in the Work if during the progress of the work departures from the approved Engineered Plans or specifications, the Developer shall submit two (2) copies of the detailed engineered drawings or specifications showing the proposed changes and receive the written approval of the City prior to any work being commenced on the changes.

1.7 Inspections

- a) During the course of this Agreement and the performance of the work the City Engineer and City Planner shall have free and immediate access to all records of or available to the Developer and the Consulting Engineer relating to the performance of the work including, but without limiting the generality of the foregoing, all design, inspection, material testing and "as built" records. The City may:
 - i. exercise such supervision of the work as the City may deem necessary to ensure to the City the full and proper compliance by the Developer with the Developer's undertakings to the City, and to ensure the proper performance of the work;
 - ii. reject any unsatisfactory design, material, or work;
 - iii. During the period of construction and the maintenance period, order that any unsatisfactory work that does not adhere to the Agreed Standards be rectified by the Developer at the Developer's cost. If the Developer shall fail to rectify this unsatisfactory work within thirty (30) days, the City shall be entitled to have the same rectified at the cost and expense of the Developer;
 - iv. order the re-execution of any unsatisfactory design and the replacement of any unsatisfactory material that does not adhere to the Agreed Standards at the Developer's cost and expense;
 - v. order the Developer, at the Developer's cost, to bring on the job and use such additional labour, machinery, and equipment as the City may reasonably deem necessary to ensure the proper performance of the work and enforce good construction practice;
 - vi. order that the performance of the work or any part thereof be stopped until orders can be obeyed; and,
 - vii. order the testing of any material to be incorporated in the work at the Developer's cost and expense.

1.8 Inspection Requirements

a) Work shall only be performed on the project with inspections and supervision being completed to the satisfaction of the City by the Consulting Engineer. It is not incumbent upon the City to exercise its privilege of inspection nor is the City under any obligation to discover and advise the Developer of any items of non-compliance during the performance of the work. The Developer shall maintain and provide inspection services, which services shall be by or supervised by the Consulting Engineer to the extent necessary to certify the performance of the work as set out herein. The Developer shall be responsible to perform all tests and inspections so required.

1.9 Off-Site Levies

a) The Developer for **Phase 1** agrees to pay the City, in accordance with the conditions of subdivision imposed by the Subdivision Authority, the most current Offsite Levy as charged

- by the City and, such Offsite Levy fees being set out in Schedule "E" attached hereto and forming part of this Agreement and in the manner set out therein.
- b) The Developer for **Phase 2** agrees to pay the City, in accordance with the conditions of subdivision imposed by the Subdivision Authority the most current Offsite Levy as charged by the City at the time of issuance of the Notice to Proceed for Phase 2.
- c) The Developer agrees to pay the City, in accordance with the conditions of subdivision imposed by the Subdivision Authority the most current Storm Water Management Offsite Levy as charged by the City and, such Offsite Levy as are set out in Schedule "E" attached hereto and forming part of this Agreement and in the manner set out therein.

1.10 <u>Development Control and/or Architectural Co-ordination Grade Slips</u> and Grading Plan

a) The Developer shall define the scope and intent of such control and co-ordination in a written submission to the City complete with plans and shall obtain the approval of the City of same as a condition precedent to consideration by the City of any application for building permit within the Development Area.

1.11 Grade Slips and Grading Plan

- a) The Developer shall provide a detailed grading plan showing existing and proposed grades, drainage patterns, the tie-in to grading on adjacent uses and existing site elevations.
- b) The Developer shall provide the purchaser of each lot with a copy of the grade plan, indicating by means of arrows and elevations the grading and drainage requirements for the houses and lots, and any restrictions thereto that would influence the grading until the last Construction Completion Certificate has been approved by the City.

1.12 As-Built Drawings

a) Immediately upon the completion of the construction and installation of the Local Improvements, the Developer or their Consulting Engineer shall deliver to the City Planner for approval two (2) complete sets of prints of all design and construction drawings setting out the improvements constructed pursuant to this Agreement and showing actual locations, descriptions and all "as-constructed" elevations referred to City datums. All plans and information required to the City to be amended or revised shall be corrected by the Developer and be re-submitted for final acceptance by the City. Upon final approval of "asbuilts" the Developer or their Consulting Engineer shall deliver one (1) copy of such in full sized hard copy form, and one (1) digital copy in AutoCAD Format acceptable by the City.

1.13 Transfer of Local Improvements to the City

a) The Parties agree that upon the City so approving the Construction Completion Certificate for a local improvement, the respective improvement shall become the property of the City. This transfer of ownership does not relieve the Developer of their obligations respecting maintenance, or subsequently discovered omissions or discrepancies. The Developer covenants that they shall not make application of a Construction Completion Certificate respecting any improvement unless that improvement is free of all/liens and/or encumbrances.

1.14 Relocation and/or Addition to Utilities

- a) The Developer shall be responsible to construct and pay all costs arising from:
 - i. the relocation of any existing utilities or improvements necessitated by construction pursuant to this agreement;
 - ii. the relocation of any utilities constructed pursuant to this Agreement where such relocation is necessitated or arises from a conflict with any other utility construction, house or building or driveway constructed by or cause to be constructed by or reviewed for Development Control by the Developer; and,
 - iii. changes in utility service or improvements which are due to a change in use or density where the Developer has proposed or agreed to such changes in use or density.

1.15 Use of Public Ways in the Performance of the Work

- a) The City hereby grants to the Developer, the right, permission, and power to use, break up, dig, trench, or excavate in the public highways, streets, roads, lanes, boulevards, ravines, parks and similar public places of the City, within or adjacent to the Lands, and otherwise to do such work therein and thereon as may be necessary to lay, operate, maintain, repair, extend, relay and remove water and sewer mains or pipelines forming part of the work of the Developer, as may be necessary for the purposes of this Agreement, PROVIDED:
 - i. that the performance of such work shall adhere strictly to the requirements of the City;
 - ii. that the Developer shall do as little damage as possible in the performance of such work, and will cause as little obstruction to such public places as possible;
 - iii. that upon completion of such work the Developer shall restore all such public places to a condition and state of repair equivalent to that which prevailed prior to the performance of such work, and shall maintain such restored portions of such public places for a period of one (1) year(s) after completion, ordinary wear and tear and third party damage excepted, and further that such restoration shall include the replacement and maintenance of trees, grass and shrubs as applicable; and,
 - iv. that the Developer shall indemnify and save harmless the City from and against all losses, costs, claims, suits or demands of any nature which may arise by reason of the performance of the work by the Developer in any such public place.

1.16 Approval by the City

b) The approval of drawings and/or supporting documents given by the City or its representatives does not relieve the Developer of his responsibility to ensure that all work pursuant to this Agreement done or to be done by the Developer is in accordance with current practice and is technically acceptable, nor does it relieve him of the obligation to remedy subsequently discovered omissions and/or discrepancies.

PART 2 - LOCAL IMPROVEMENTS

2.1 Construction

- a) The Developer shall, at no expense to the City, and to the accepted standard of the City except as otherwise provided:
 - construct all roads, street and avenues including all boundary roads and roads abutting on or adjacent to all reserve parcels, schools sites, ornamental parks, tot lots and other lands dedicated to the City for public use, to the width and depth of materials which the City may require to serve the Subdivision and adjacent areas;
 - ii. construct all lanes and walkways, including grading such to the standard cross-section and profile as approved by the City, and construct all lanes and walkways (including pedestrian walkways) within the Subdivision to the width and depth of materials which the City may require to serve the Subdivision and adjacent areas, including all boundary lanes and walkways, and lanes and walkways abutting or adjacent to reserve parcels, school sites, ornamental parks and other lands dedicated to the City for public use;
 - iii. construct all sidewalks, curbs and gutters within the Subdivision, including all boundary sidewalks, curbs, and gutters, abutting, on, or adjacent to reserve parcels, school sites, ornamental parks and other lands dedicated to the City for public use;
 - iv. such construction or development of streets and lanes as may be required by the City; including, but not limited to, a second or temporary access for vehicular traffic from the Development Area and to adjacent developed and developing areas;
 - v. install all storm water management facilities including storm sewers, catch basins and catch basins leads, complete with normal appurtenances thereto, whether or not in boundary lanes, roads, walkways and/or easements within the Subdivision area that may in the opinion of the City be required to adequately drain the subdivision and adjacent areas, and including any inlet or outfall structures with necessary leads connected to the storm sewer system to and from the Subdivision area as required by the City;
 - vi. install all water mains, valves, hydrants, fittings, lateral lot services to 2.0 metres inside the property lines, and normal appurtenances thereto required to serve the Subdivision and adjacent areas, whether the said water mains are in boundary lanes, roads, and or/easements:
 - vii. install all sanitary sewers, lateral lot services to 2.0 metres inside the property lines, lift stations, force mains complete with normal appurtenances thereto within or outside the Subdivision area that may in the opinion of the City be required to serve the Subdivision and adjacent areas, whether or not in boundary lanes, roads, walkways and/or easements:
 - viii. grade, loam to a minimum 150 mm and maximum 300 mm depth (unless required by the City to be left in their natural condition), plant grass and trees, in conformity with City requirements in all community reserves, on all school sites, public utility lots, ornamental parks, buffers, tot lots, boulevards (areas between road curbs and property lines), and other City lands;

- ix. make arrangements, at no expense to the City, for the design and installation of underground electrical power system, street lighting system, natural gas distribution system, a telephone system, cable television system, and mail delivery within and to and from the Subdivision Area:
- x. construct and develop all public utility lots, storm water management retention or detention ponds, reserve parcels, ornamental parks and other lands dedicated to the City for public uses.
- xi. design and construct buffer strips for aesthetics and noise attenuation devices as required by the City.

2.2 **Foundation Drainage**

a) The Developer acknowledges that weeping tile connections to the sanitary sewer system within the Lands are prohibited and provisions must be made for alternate adequate foundation drainage. Accordingly, the Developer shall identify areas of high water table, which may result in year round sub-surface discharge to foundation drains and provide in these areas for a storm sewer connection to the property line of each lot.

2.3 Municipal Services

- a) The Developer shall not activate the water supply boundary values to the new water supply system. The Developer shall provide at least 48 hours notice, requesting the City Engineer to activate the water supply boundary values in order to charge the new water supply system. The City will activate the new system upon the request of the Developer after a Construction Completion Certificate for the water system has been issued by the City. The Developer is fully responsible to ensure that the system has been disinfected, flushed, and tested prior to requesting a Construction Completion Certificate.
- b) If copper service line is used the developer shall install a thaw wire of not less than that required to hold high voltage current from the curb cock to the end of the service line stub out.

2.4 Endeavour to Assist

- a) When the Developer, in order to facilitate servicing of the subdivision lands, is required to install underground utilities and/or surface improvements that are to be constructed along or beyond the boundaries of the subdivision lands it is agreed that the Developer shall bear the costs of the servicing.
- b) When the adjacent development takes places, the developer may be entitled to recover a portion of the costs, from the owner of the adjacent lands, for the installation of underground utilities and/or surface improvements that are constructed long or beyond the boundaries of the Subdivision land, at the prices agreed upon by the City and the Developer at the time of development.

- c) The extent of sharing the costs by future development of the adjacent lands shall be based on the formula and predetermined costs outlined in Part 1 of Schedule "F" attached hereto and forming part of this Agreement and in the manner set out therein.
- d) It is understood that the City efforts to endeavour to assist the Developer to recover these costs shall be limited to a term of **ten years** from the date of signing this Development agreement and shall be limited to cost recovery through implementation of future development agreements or development permits issued for development of those adjacent lands.

2.5 Late-Comer Fees

- a) When the Developer, in order to facilitate servicing of the subdivision lands, is required to connect to underground utilities and/or surface improvements that were constructed along or beyond the boundaries that are determined to be beneficial, of the subdivision lands it is agreed that the Developer shall bear a portion of the costs of the servicing.
- b) The portion of the costs of servicing for the subdivision lands shall be based on the formula and predetermined costs outlined in Part 2 of Schedule "F" attached hereto and forming part of this Agreement and in the manner set out therein.

2.6 Access Maintenance to Occupied Premises

a) The Developer shall at all times after any premises are occupied within the Development Area, provide and continuously maintain access to the premises occupied, for garbage removal and police and fire protection except snow removal. The City shall be saved harmless should damages occur during snow removal operations.

2.7 **Dust and Refuse Control**

a) The Developer shall make its best efforts to control dust, dirt and refuse in the Development Area so that dust, dirt and refuse originating therein shall not become a nuisance to adjoining property owners and others in the vicinity of the Development Area. In the event that the Developer fails to comply with this requirement, the City shall be at liberty to take whatever measures the City deems necessary to abate any annoyance or nuisance caused to adjoining property owners and others in the vicinity of the Development Area caused by such dirt, dust and refuse and further shall be at liberty to charge the cost to the Developer. The City shall notify the Developer of the dust problems and if the City is not able to contact the Developer, or if the Developer shall fail to take its best efforts to control the dust from the Development Area after being notified, then the City shall take such steps as are necessary and notify the Developer in writing of the action taken by the City, to rectify the dirt, dust or refuse problem.

2.8 Land Use Classification Sign

a) The Developer shall be responsible for keeping the public informed of all land use classifications, truck routes, arterial roads, the location of school sites and when specified by

the School Board, the School Building sites, reserve parcels, ornamental parks and other amenities in the subdivision and said information shall be shown in brochures and billboards and other advertising where maps are used in connection with promotion and sale of lots in the subdivision. The Developer shall erect a billboard/land use classification sign in accordance with the Cold Lake Municipal Engineering Servicing Standards and Standard Construction Specifications, as approved by the Subdivision and Development Approval Authority in the subdivision showing the above-mentioned amenities prior to issuance of development or building permits by the City, and shall maintain the said sign until the approval of the last Final Acceptance Certificate.

2.9 Traffic Control

a) The Developer, until the paved roads and walkways Construction Completion Certificate is issued, shall install and maintain all traffic control signs that may be required to control traffic on the streets within and along the boundaries of the Development Area. In addition, the Developer, until the Development Area has been accepted by the City, shall make arrangements satisfactory to the City, for the installation and maintenance of traffic control signs, as required, during the maintenance period.

PART 3 – GENERAL

3.1 Utility Easements

- a) The plans as approved by the City Engineer shall designate the rights-of-way adequate to the needs of the utility companies, for the supply of natural gas, power and telephone service to the Lands, and for the drainage system.
- b) Forthwith upon acceptance by the City Engineer of the plans required for development, and prior to the sale of any lot/portion of the Lands, the Developer shall grant to the City easements or rights-of-way for such purposes and shall register or cause to be registered such easements or grants of rights-of-ways with Alberta Land Titles.
- c) Such easements or rights-of-way shall provide that the City shall have the right either:
 - i. to assign all or part of the rights thereby granted to the operators of the respective utilities, or:
 - ii. to grant permits or licenses to install, repair and replace gas, power and telephone lines and the drainage system;
 - iii. All costs of preparing or obtaining easements or rights-of way shall be borne by the Developer; and,
 - iv. All rights-of-way required for local improvements shall be in the City's name.

3.2 Indemnity and Insurance

- a) The Developer shall indemnify and save harmless the City from any and all losses, costs, damages, actions, causes of action, suits, claims and demands resulting from anything done or omitted to be done by the Developer in pursuance or purported pursuance of this Agreement.
- b) The Developer shall carry comprehensive liability insurance of \$2,000,000.00 so as to meet the reasonable requirements of the City PROVIDED that such liability insurance may be cancelled at the end of the maintenance period.

3.3 Securities

- a) Subject to s. 3.3(b), concurrent with the issue of the Notice to Proceed for Phase 1 and prior to the commencement of construction of **Phase 1**, the Developer shall deliver to and deposit with the City separate securities as hereinafter prescribed to a value of \$XX,XXX.XX for landscaping (100% of the value of required landscaping) and \$XXX,XXX.XX (50% of the value of required local improvements) for all other construction, as detailed on Schedule "G".
- b) If Notice to Proceed is not issued for **Phase 1** within SIX MONTHS of the date of this agreement, the developer will be required to submit new construction estimates to the City at the date of the Notice to Proceed is requested, to reflect the estimated costs of the landscaping and local improvements at the that time. The securities required to be provided by the Developer shall be based upon those estimates, as approved by the City, rather than the amounts stated in s. 3.3(a).

- c) Prior to the issuance of a Notice to Proceed for Phase 2, the Developer shall deliver to and deposit with the City security equal to 50 percent of the estimated cost of required local improvements. This estimate must reflect the estimated costs at the time of the issuance of the Notice to Proceed for Phase 2 and must be approved by the City.
- d) Upon endorsement of the Construction Completion Certificate (Schedule "H") for each Phase, the Developer may make application to have the security amount reduced by an amount equal to the ratio of the work completed to the original cost of the work, expressed as a percentage. This percentage will not be reduced to less than 10% of the original estimate through the two (2) year maintenance period for underground Local Improvements and two (2) years for surface Local Improvements.
- e) Upon endorsement of the Landscaping Completion Certificate for each Phase, the Developer may make application to have the security amount reduced by an amount equal to the ratio of the work completed to the original cost of the work, expressed as a percentage. This percentage will not be reduced to less than 20% of the original estimate through the two (2) growing season maintenance period for landscaping.
- f) The said security shall consist of a Cash or Irrevocable Letter of Credit, issued by a Chartered Bank, Credit Union, or the Treasury Branch, and PROVIDED that such securities shall be in terms and form to be approved by the City that shall contain the following terms and provisions:
 - a statement that the said irrevocable letter of credit is issued in favour of the City in consideration of the City entering into this Agreement with the named customer of the issuing bank;
 - ii. an acknowledgment by the issuing bank that it has full knowledge of the terms, covenants and conditions of this Agreement;
 - iii. an acknowledgment by the issuing bank that it has full knowledge that the issuing of the said Irrevocable Letter of Credit was and is a condition precedent to the execution of this Agreement by the City; and,
 - iv. an acknowledgment by the issuing bank that the City shall be entitled to draw on the said Irrevocable Letter of Credit in accordance with the provisions of this Agreement, and an undertaking by the issuing bank to promptly honour and pay draws made by the City.

3.4 Construction Completion Certificate Procedures

- a) The Developer agrees to pay the sum of fifteen hundred (\$1,500.00) dollars in accordance with the planning and development schedule of fees bylaw for the inspection(s) for the Substantial Construction Certificate and or the Construction Completion Certificate.
- b) When the Developer claims the local improvements have been constructed and installed in accordance with the requirements of this Agreement, the Developer shall submit a request to the City Planner for a Construction Completion Certificate with suitable plans attached duly signed by the Consultant's Resident Engineer for the utilities or improvements completed as attached hereto in Schedule "H". Upon the request of the developer, the City shall provide representation at a site inspection with the developer and the Developer's Consulting Engineer. The Developer's Consulting Engineer shall be responsible for noting

any deficiencies and forward a copy to the City Engineer within 7 days of the site inspection. Acceptance of completed work will not be withheld by any reason of minor deficiencies which would normally be completed under maintenance clause of this Agreement. If any Acts of God, inclement weather or any other cause outside the control of the parties to this Agreement should interfere with an inspection for acceptance, as requested above, the time limit will be extended as agreed by the Parties.

- c) The request for a Construction Completion Certificate for local improvements may be divided to include separate certificates for Substantial Completion (underground improvements, curb/gutter/sidewalks, and roadway sub-base) and Full Completion (underground and above ground improvements). The Developer may request either a Construction Completion Certificate or a Substantial Construction Completion Certificate. If a Substantial Construction Completion Certificate is requested, the Developer shall apply for a Construction Completion Certificate once all the local improvement work has been completed in its entirety.
- d) Upon being satisfied with the claimed completion, the City shall give the Developer notice in writing of the City's acceptance of the local improvements, or any of them so completed, by way of endorsement of a Construction Completion Certificate and shall indicate thereon the date when the maintenance period is due to expire.
- e) If however defects and deficiencies are apparent to the City in the local improvement, the Construction Completion Certificate shall be returned to the Developer unsigned with a report of defects and deficiencies listed, and the Developer shall correct all defects and deficiencies and subsequently resubmit the Construction Completion Certificate.
- f) The City shall operate the local improvements, after the endorsement of the Construction Completion Certificate, in the same manner as other local improvements within the City pursuant to the Bylaws and regulations of the City currently in place.
- g) The Department of Planning and Development with the City shall not issue or release development and/or building permits until such time of endorsement of the Construction Completion Certificate or a Substantial Construction Completion Certificate has been issued.

3.5 **Development and Building Permits**

a) The City will not issue or release Development and/or Building Permits for construction or development within the Development Area until such time as the Developer has completed the construction of the applicable local improvements to agreed standards as set out in Section 2.1 and the City has endorsed a Construction Completion Certificate to the extent as set out within Section 3.4 of this agreement.

3.6 Maintenance and Final Acceptance

a) After the issuance of the Construction Completion Certificate, the Developer shall be responsible for any and all repairs to any local improvements which may, in the City's sole opinion, become necessary to maintain such local improvements in good condition and such repairs shall include the repair or replacement of the whole local improvement, or any portion thereof, where necessary as a result of any cause other than neglect by the City, its servants, agents or contractors, ordinary wear, and damage by third parties, in the use and operation thereof.

- b) Each local improvement shall be inspected after the expiry of the maintenance period and any damage or deficiencies shall be remedied by the Developer before the City finally accepts such local improvement by endorsing the Final Acceptance Certificate (Schedule "I").
- c) Prior to endorsement of a Final Acceptance Certificate, the Developer shall provide the City Planner with a video camera inspection report and tape acceptable in a format acceptable by the City of the sanitary and storm sewers constructed by the Developer. Such inspection shall be timed immediately prior to the acceptance for the Final Acceptance, and such video camera inspection shall be scheduled with and acknowledged in writing by the City Engineer.

3.7 Maintenance Periods

- a) The Developer shall maintain each of the various local improvements for the following minimum periods from the dates shown on the Construction Completion Certificates until the issuance of the Final Acceptance Certificates:
 - i. two (2) year for all underground Local Improvements; and,
 - ii. two (2) years for all surface Local Improvements.

3.8 <u>Default by the Developer</u>

- a) In the event that the City claims that the Developer is in default in the observance and performance of the terms, covenants and conditions of this Agreement (other than the terms, covenants and conditions of Clause 3.6 hereof), the City shall give the Developer thirty (30) days notice in writing of such claimed default and shall by such notice either require the Developer to rectify such default within (30) days of the receipt of such notice or notify the Developer that the City intends to rectify such default at the Developer's costs and expense.
 - i. If the Developer denies that it is in default as claimed in such notice, the Developer shall immediately request a reference to arbitration pursuant to the provisions of Clause 3.9 hereof.
 - ii. If the arbitrator confirms that the Developer is in default as claimed by the City, and if the City by its notice of claimed default has required the Developer to rectify same, the Developer shall have a period of thirty (30) days from the receipt of the decision of the arbitrator within which to rectify the default.
 - iii. If the arbitrator confirms that the Developer is in default as claimed by the City, and if the City by its notice of claimed default has elected to rectify the default at the Developer's costs and expense, the City shall proceed to rectify the default at the Developer's expense.
- b) Notwithstanding anything to the contrary herein, in the event that the City Engineer in his absolute discretion considers it necessary to undertake any immediate work for the repair of any of the said local improvements in a situation of emergency, the City Engineer shall be entitled to cause such work to be done at the Developer's cost and expense without notification to the Developer, PROVIDED that upon completion of said emergency repair work, the City shall give notice in writing to the Developer if the City claims that such repair

was made necessary by reason of a default on the part of the Developer in the observance and performance of the terms, covenants and conditions of Clause 3.6 of this Agreement, and if the Developer denies the claimed default, it shall immediately request a reference to arbitration pursuant to the provisions of Clause 3.9 hereof.

c) The decision of the arbitrator in any reference respecting a claimed default on the part of the Developer shall be final and binding upon the City and the Developer and shall not be the subject of any action or proceeding in any Court.

d) In the event that:

- i. a confirmed default by the Developer has not been rectified by the Developer in accordance with the foregoing provisions, or;
- ii. a confirmed default by the Developer has been rectified by the City in accordance with the foregoing provisions and the Developer fails to pay the cost and expense of such rectification within five (5) days after the receipt from the City of an account therefore, or;
- iii. emergency repair work has been done to local improvements by the City in accordance with the foregoing provisions and a default on the part of the Developer has been confirmed as rendering such repair work necessary, and if the Developer fails to pay the cost and expense of such repair work within five (5) days after the receipt from the City of an account, based on actual invoices for work done and administration costs therefore, then which for the purposes of this Agreement shall be 10 percent (%). The City may invoke the provisions of Clause 3.3 hereof and make demands as obligated under any Performance Bonds or as payee under any Irrevocable Letters of Credit provided by the Developer pursuant to the requirements of this Agreement;
- iv. the Developer shall not be deemed to be in default in the performance of its obligations hereunder if any failure in performance of said obligations is due to fires, adverse weather conditions, the Queen's enemies, provided that lack of finances shall in no event be deemed a cause beyond the Developer's control.

3.9 **Arbitration**

- a) All arbitration will be conducted and carried out under the Arbitration Act;
- All charges, fees and expenses of the arbitration shall be borne and paid by the City or the Developer, or proportionately by both of them, depending upon their respective fault as found by the arbitrator, PROVIDED;
 - i. that the foregoing provisions shall not authorize any reference to arbitration as to any matter or question which under this Agreement is expressly or by implication required or permitted to be decided by the City, the City's Engineer, the Committee of the Whole or the Council of the City, or as to the grounds upon which, or the mode in which, any opinion may have been formed or discretion exercised by the City, the City's Engineer, the Committee of the Whole or the Council for the City;
 - ii. that neither party hereof shall be liable to any claim in respect of any such dispute or difference until the liability and the amount of liability in respect of same shall, if not admitted, have been referred to and determined by arbitration, the award under which shall be a condition precedent to liability of any such part or to any right of action against any such party in respect to the claim.

PART 4 – AGREEMENT ADMINISTRATION

4.1 **Property Taxes**

a) The Developer agrees to pay all outstanding property taxes, if any, for the Lands prior to endorsement of the plan of subdivision.

4.2 <u>Delivery of Documents to the City</u>

a) Forthwith upon the completion of the construction and installation of the local improvements and the acceptance of same by the City, the Developer will deliver to the City Planner all inspection and testing results and original (linen) "as built" plans and AutoCAD R-14 diskettes prepared by the Developer's Engineer relating to the servicing of the Lands with the local improvements.

4.3 Compliance with Law

- a) The Developer shall at all times comply with all legislation, regulations and municipal Bylaws and regulations relating to the development of the Lands by the Developer.
- b) This Agreement does not constitute approval of any development and is not a development permit or other permit granted by the City.
- c) Where anything provided for herein can not lawfully be done without the approval or permission of any authority, person or board, the obligation to do it does not come into force until such approval or permission is obtained, PROVIDED the parties will do all things necessary by way of application to otherwise in an effort to obtain such approval or permission.
- d) If any provisions hereof are contrary to law, the same shall be severed and the remainder of this Agreement shall be of full force and effect.
- e) For the purposes of the *Occupational Health & Safety Act*, the Developer is the prime contractor for all work pursuant to this Agreement.

4.4 Law of Alberta Applicable

a) The validity and interpretation of this Agreement and of each clause and part thereof shall be governed by the laws of the Province of Alberta.

4.5 Further Assurances

a) Both parties shall execute and deliver all further documents and assurances necessary to give effect to this Agreement and to discharge the respective obligations of the parties.

4.6 Waiver

 a) A waiver by either party hereto of the strict performance by the other of any covenant or provisions of this Agreement shall not itself constitute a waiver of any subsequent breach of such covenant or provisions or of any other covenant or provisions of this Agreement.

4.7 Developer's Covenant

- a) The Developer covenants, undertakes and agrees that the conditions, terms and provisions of the Agreement shall be deemed to be:
 - i. covenants running with the development;
 - ii. conditions authorizing the development and subdivision of the lands; and shall be binding upon the Developer and its successors-in-title. Prior to and after the execution of Developer's agreement for the Subdivision Area, the Developer shall extract the same covenants as are herein contained from any person to whom it may in any way convey such subdivision area or any undivided interest, other than lots, so that the said covenants shall run with such subdivision area, and the terms, conditions and provisos of this Agreement shall be enforceable by the City in the same manner and to the same extent as any other restrictive covenant filed by way of caveat pursuant to the provisions of the Act. No such conveyance of such subdivision area or any undivided interest therein shall operate so as to release the Developer from its obligations and covenants herein. The City may file a caveat to protect its interest herein, provided, always, that the covenants shall cease and determine when all conditions contained herein have been satisfied.
- b) The City agrees to absolutely postpone such caveat or other instrument as might be filed to protect its interest if such postponement is requested by a mortgagee, such postponement to be in form stipulated by The Land Titles Act, Alberta, in favour of a mortgage or mortgages registered at the North Alberta Land Registration District for the purposes of financing the Local Improvements to be constructed by the Developer pursuant to this Agreement.
- c) Upon all conditions contained herein being satisfied respecting any portion of the Development Area, including the payment of the Discharge Fee, the City shall discharge any caveat or other instrument from such portion of the development lands upon receiving a demand to do so and payment of the cost to discharge (the "Discharge Fee") from the Developer.

4.8 Transition

a) Except where legislation is enacted by the Legislative Assembly of the Province of Alberta specifically negating this Agreement or any provision, this Agreement will continue in full force and effect in accordance with its terms until the development of the land has been completed.

4.9 Notices

- a) Any notice to be given to the Developer hereunder shall be addressed to:
- b) Any notice to be given to the City hereunder shall be addressed to:

CITY OF COLD LAKE

ATTN: PLANNING & DEVELOPMENT DEPT. 5513 - 48 AVENUE COLD LAKE, AB T9M 1A1

c) Either party may by notice in writing change its address for notices hereunder;

4.10 Non-Assignment of Agreement

- a) This Agreement shall not be assignable by the Developer without the prior written approval of the City.
- b) This Agreement shall consist of this document including all attached and initialled schedules. It is agreed that there are no representations, warranties, collateral agreements, or conditions affecting this said Agreement except as incorporated herein.
- c) Verbal amendments to this Agreement shall not be provided by or accepted by either party.

IN WITNESS WHEREOF the parties have hereto caused their corporate seals to be affixed the day and the year above written.

SIGNED, SEALED, AND DELIVERED BY:

CITY OF COLD LAKE
) DIRECTOR OF PLANNING & DEVELOPMENT
SEAL Developer Per:))
PRESIDENT
SFAL

SCHEDULE "A" - DEVELOPMENT AREA

(THE "LANDS") WITHIN THE DEVELOPMENT AREA



SCHEDULE "B" - SUBDIVISION APPROVAL CONDITIONS



SCHEDULE "C" - NOTICE TO PROCEED

Project:	Subdivision File	e:	Date:
Notice to Proceed			
DEVELOPMENT ADDRESS:			
LEGAL DESCRIPTION:	PLAN:	BLOCK:	Lот(s):
DEVELOPER:			

The Department of Planning and Development is satisfied with the following conditions of the Development Agreement between the Developer / Land Owner and the City of Cold Lake:

- Engineering Design and Construction Drawings for all local improvements approved by the City Engineer and the Department of Public Works and Infrastructure Services;
- Delivery of Proof of \$2,000,000.00 comprehensive liability insurance.
- Delivery of required Security to the City of Cold Lake.

The City of Cold Lake hereby provides notice to the Developer / Land Owner to proceed with the orderly servicing of the Developing Lands in accordance with the terms and conditions set forth within the Development Agreement and subject to the following conditions:

Failure to meet the specified conditions to proceed will result in the issuance of a Stop Work Order.

SCHEDULE "D"- ALTERATIONS

No alterations of the City of Cold Lake Municipal Engineering Servicing Standards and Standards Construction Specifications are granted.



SCHEDULE "E" - OFF-SITE LEVIES

Part 1 - Defined Offsite Levy Rate & Calculation

- 1. Inasmuch as the development of the Lands may make it necessary for the City to provide:
 - a) new or expanded facilities for the storage, transmission, treatment or supplying of water, or:
 - b) new or expanded facilities for the treatment, movement or disposal of sanitary sewage, or;
 - c) new or expanded storm sewer drainage facilities, or;
 - d) New or expanded roads required for or impacted by a subdivision or development, or;
 - e) any land required for or in conjunction with any facilities described above
- 2. It is mutually agreed and understood that the amounts stated here within Schedule "E" are a charge against the individual lots in the Lands and come due and payable immediately upon the issuance of a development permit for each lot stated herein, or upon sale of each lot stated herein, or 2 years from the date of issue of a Certificate of Construction Completion whichever comes first.
- 3. With respect to the payment of the off-site levies stated herein, the City has the right to register a caveat under the Land Titles Act in respect of this Agreement against the Certificate of Title for the Lands.
- 4. The City will withdraw and discharge the caveat referred to herein upon performance of the obligations under this Development Agreement and receipt of payments referred to herein.
- 5. As of the date of this Agreement, Off-Site Levies are required for Residential Development subdivisions at a calculated rate of \$78,066 per hectare for Phase 1. The Parties agree that the Off-Site Levies required for Phase 2 of the Subdivision shall be calculated at the rate provided for in the City Off-Site Levy Bylaws in effect at the date the Notice to Proceed is issued by the City for Phase 2.

Defined Offsite Levy Rates

2007 Offsite Levy Rates

Description	Current Off-Site Levy
Water Distribution	\$11,768/Hectare
Sanitary Sewer	\$ 9,115/Hectare
Storm Sewer	\$ 3,310/Hectare
Roadway Network	\$53,873/Hectare
Total	\$78,066/Hectare

Phase 1 - Development Offsite Levy Calculation

Site Area (ha) x \$78,066 = Required Off-Site Levies

x \$78,066 = \$XXX,XXX.XX

Amount of Off-Site Levies required under this Agreement = \$XXX,XXX.XX The payment schedule is as follows:

\$XXX,XXX.XX/XX lots = **\$X,XXX.XX** per lot

Part 2 - Defined Offsite Levy Rate for Stormwater Management& Calculation

- 1. In addition to the prescribed Off-Site Levy, a Storm Water Management Pond Off-site Levy of \$24,423/Hectare is applied to all developing areas where no storm water management pond is to be built as that facility or responsibility has been deferred to adjacent lands.
- 2. It is mutually agreed and understood that the amounts stated here within Schedule "E", Part 2 are a charge against the entire development and come due and payable prior to issuance of a development permit for any portion of the developing lands.
- 3. With respect to the payment of the off-site levies stated herein, the City has the right to register a caveat under the Land Titles Act in respect of this Agreement against the Certificate of Title for the Lands.
- 4. The City will withdraw and discharge the caveat referred to herein upon receipt of payments referred to herein.
- 5. Off-Site Levies are required for Residential Development subdivisions at a calculated rate of **\$24,423** per hectare.

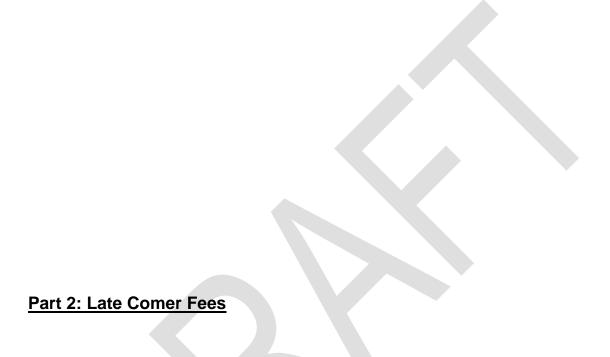
Development Offsite Levy Rate for Storm Water Management Calculation

Site Area (ha) x \$24,423 = Required Off-Site Levies x \$24,423 = \$XX,XXX.XX

Amount of Off-Site Levies Storm Water Management required under this Agreement = \$XX,XXX.XX

SCHEDULE "F"

Part 1: Endeavour to Assist



SCHEDULE "G" - SECURITY

Security to be provided in accordance with Clause 3.3 a) of this Agreement, if the Notice to Proceed is issued for Phase 1 within six (6) months of the date of this Agreement, is as follows:

1.	Excavation and Grading	\$
2.	Sanitary Sewer Servicing	\$
3.	Water Servicing	\$
4.	Service Connections	\$
5.	Storm Sewer Servicing	\$
6.	Service Works (Roads, Sidewalks, Curb and Gutter)	\$
7.	Shallow Utilities	\$
8.	TOTAL	\$
9.	50% of Value	\$
10.	Landscaping	\$
Amount of Security provided under this Agreement = \$		

SCHEDULE "H" - CERTIFICATE OF CONSTRUCTION COMPLETION

CITY OF COLD LAKE

CERTIFICATE OF CONSTRUCTION COMPLETION

PROJECT:			
CONTRACTOR:			
DEVELOPER:			
This is to certify that construction of the said development has been completed and inspected as of and that the warranty period (two years for roads and utilities) for the correction of faulty materials and/or workmanship shall commence. The conditions of acceptance are as follows:			
Article II. Submission of As-Built Record Plans to the City within 30 days			
ACCEPTED BY:			
CONSULTING ENGINEERING FIRM			
Per:D	ate:		
CONTRACTOR			
Per:	Date:		
DEVELOPER			
Per:	Date:		
CITY OF COLD LAKE Per:	Date:		

SCHEDULE "I" - FINAL ACCEPTANCE CERTIFICATE

CITY OF COLD LAKE FINAL ACCEPTANCE CERTIFICATE

PROJECT:	
CONTRACTOR:	
DEVELOPER:	
This is to certify that maintenance of the sa accepted by the City of Cold Lake as of of acceptance are as follows:	id development has been completed and The conditions
ACCEPTED BY:	
CONSULTING ENGINEERING FIRM	
Per:	Date:
CONTRACTOR	
Per:	Date:
DEVELOPER	
Per:	Date:
CITY OF COLD LAKE Per:	Date: