



## Community Planning – Development Engineering Bulletin September 19, 2025

### **Subject: Performance Security Standardization – Expansion – Effective: January 1, 2026**

In follow-up to our April 5, 2024, bulletin regarding the Standardized Security Method, we are pleased to announce an expansion of the eligibility criteria to include Tier C developers, effective for 2026 Development Agreements.

The established construction cost per hectare rate of \$600,000/ha, which has been in use since the method's implementation, will continue to be reviewed annually alongside the Unit Rates at the end of each year. This review ensures the rate remains reflective of actual construction costs for eligible projects. Both the updated rate and expanded eligibility criteria will be formalized in the 2026 Development Agreement Terms & Conditions.

#### **Revised Eligibility Criteria:**

For a project to be eligible for the standardized method of calculating performance securities, it must meet all the following requirements:

- Residential, Greenfield Agreement
- Tier B or C Developer
- The project can only include one set of Construction Drawings
- The scope is contained within the Tentative Plan Boundary
- The City may deem a project ineligible for this method where there is substantial lands being dedicated as MSR, MR, PUL, ER or Multi-family.

#### **Overview of the Standardized Security Method from the Bulletin on April 5, 2024**

A standardized construction cost per hectare of \$600,000 will be multiplied by the subdivision's assessable area (including surrounding roads, excluding Environment Reserve) to determine the overall construction cost. The required performance security as a part of the development agreement will be based on the percentage associated with the Developer's tier of the overall construction cost. The standardized method will be applied to all projects that meet the eligibility criteria.

For eligible projects, the Developer and Consultant shall still provide the City, through their Request for Development Agreement, a simplified breakdown of the total cost by Infrastructure Component. Under this method, we no longer require the estimate to be itemized within the infrastructure component including detailed quantities and unit rates, but rather a bottom-line cost for each infrastructure component.

It is encouraged that the Developer/Consultant team confirms the eligibility and amount on a case-by-case basis with the Strategist prior to beginning the process of obtaining the letter of credit or surety bond. This can be completed as early as the construction drawings and subdivision application are submitted and in circulation. If there are any changes to the area or scope through the review of the construction drawings or subdivision application that warrant a change to the security, the City reserves the right to request changes as required.