



# INFRASTRUCTURE COST RECOVERY

## Council Policy

**C-406**

Policy Number:	C-406
Policy Owner:	Planning and Development Services
Adopted By:	Council
Adoption Date:	2005 April 26
Effective Date:	2005 April 26
Date Last Amended:	TBD
Date Last Reviewed:	TBD

## Purpose

This policy establishes the processes for infrastructure cost recovery at Rocky View County (the County) to support cost-effective growth and orderly development.



## Policy Statement

- 2 Infrastructure cost recovery may be applied with subdivision and development approvals for the installation and/or construction of required infrastructure for a subdivision or development where the County requires a developer or development to provide infrastructure that benefits lands other than the land being subdivided or developed.
- 3 The lands that benefit by means of physical access or connection to the infrastructure are considered the development region and share a proportional cost of the infrastructure's capital cost on a per acre basis.

## Policy

- 4 The potential for infrastructure cost recovery is evaluated at the subdivision or development stage, and is subject to Council or Municipal Planning Commission passing a resolution to apply this policy and the requirement of the agreement holder entering into a development agreement with the County.
  - (1) At Council's discretion, infrastructure cost recovery may be applied at the time of subdivision or development approval; and
  - (2) Council's approval of the infrastructure cost recovery in relation to a subdivision or development application forms part of the letter of transmittal and is an addendum to the development agreement.



## INFRASTRUCTURE COST RECOVERY

### Council Policy

#### C-406

- 5 Infrastructure that is constructed and/or installed under a development agreement may be subject to a cost recovery agreement if it benefits other parcels/landowners in the development region.
- 6 County Administration works with the agreement holder to formulate the scope of the infrastructure cost recovery. The scope must identify:
  - (1) the development region to receive benefit from the proposed infrastructure; and
  - (2) the per acre charges assessed to the development region, based on a certified construction estimate provided by the agreement holder's engineering representative at the discretion of Administration.
- 7 At the discretion of Administration, the construction estimates may be subject to third party review to ensure sound engineering judgments are followed and that industry prices and standards are utilized.
- 8 Upon issuance of the Construction Completion Certificate (CCC) related to the proposed infrastructure, the per acre charges identified in the agreement are updated to reflect actual costs incurred by the agreement holder based on certified construction receipts provided by the agreement holder's engineering representative and approval by administration.
- 9 The infrastructure cost recovery acre charge is only paid to the first in developer as development proceeds.
- 10 The owners of benefiting lands pay an interest rate on the balance owing. The interest rate is the rate that a normal savings account would pay at the end of the previous calendar year. The interest rate is a simple rate calculated on the owing balance, once per year and accumulated to the amount owing to the agreement holder.
- 11 The infrastructure cost recovery applies to:
  - (1) all new subdivision approvals within the development region;
  - (2) all new development applications within the development region that require a development permit under the Land Use Bylaw C-8000-2020 as amended; and
  - (3) the total gross area of the subject parcel.
- 12 The following subdivision and development applications are exempt from providing payment if they are bound by an active cost recovery agreement:



## INFRASTRUCTURE COST RECOVERY

### Council Policy

#### C-406

- (1) uses that require relaxations of land use regulations (i.e. building height, setbacks, parcel coverage areas);
  - (2) renewable development permits (i.e. Home Based Businesses);
  - (3) uses that do not materially benefit from the infrastructure constructed under an active cost recovery agreement (ie. the use would have been permitted to proceed without the newly constructed infrastructure in place); and
  - (4) new subdivisions that do not materially benefit from the infrastructure constructed under an active cost recovery agreement (ie. the subdivision would have been permitted to proceed without the newly constructed infrastructure in place).
- 13 A cost recovery agreement:
  - (1) is valid for a period of twenty (20) years;
  - (2) commences at the date of signing the development agreement respecting the cost recovery; and
  - (3) is considered terminated after this period unless determined otherwise by Council.
- 14 If an agreement holder does not receive the full amount of cost-recovery fees due to a lack of development within the development region, the County does not pay outstanding fees.
- 15 The cost recovery agreement is bound to the agreement holder and not to titled lands. Assignment of the cost recovery agreement is recognized only by Council resolution.
- 16 Cost recovery funds are releasable to the agreement holder only once the construction of infrastructure has commenced or a CCC for the infrastructure has been issued.
- 17 Previously approved subdivision applications or development applications are reviewed by the County to determine if they qualify for infrastructure cost recovery. Applications must meet all of the following criteria:
  - (1) the infrastructure is under or will be transferred to the jurisdiction of the County;
  - (2) requests for review of a previously approved subdivisions or developments application must originate from the agreement holder as defined by this policy;
  - (3) the infrastructure has not received a Final Acceptance Certificate (FAC) from the County;



# INFRASTRUCTURE COST RECOVERY

## Council Policy

C-406

- (4) development agreements that are older than five (5) years from the date of signing of the development agreement are not considered under this policy; and
- (5) valid construction cost receipts for the installation of the infrastructure are provided.
- 18 Disputes in regards to this policy and its implementation are resolved by Council.
- 19 All subdivision or development must be within the boundaries of Rocky View County to qualify for infrastructure cost recovery through this policy.
- 20 All cost recovery payments are administered in accordance with the Master Rates Bylaw C-8145-2021, as amended.
- 21 The Infrastructure Cost Recovery Policy will be a forward looking document that is reviewed every three years to ensure consistency with Council direction.



## References

### Legal Authorities

- *Municipal Government Act*, RSA 2000, c M-26
- *Land Titles Act*, RSA 2000, c L-4

### Related Plans, Bylaws, Policies, etc.

- Rocky View County *Master Rates Bylaw* as amended or replaced from time to time.
- Rocky View County *Land Use Bylaw C-8000-2020* as amended or replaced from time to time.
- Rocky View County *Servicing Standards* adopted by resolution no. 188-13 as amended or replaced from time to time.

### Related Procedures

- n/a

### Other



## Policy History

### Amendment Date(s) – Amendment Description

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### Review Date(s) – Review Outcome Description

- TBD



## INFRASTRUCTURE COST RECOVERY

### Council Policy

C-406

### Definitions

22 In this policy:

- (1) “agreement holder” means the-signatory of the development agreement. The intended agreement holder may be the agreement holder or an authorized person acting on their behalf;
- (2) “benefitting lands” means all parcel(s) of land in the development region, excluding County owned lands or lands that are under the direction, control, and management of the County;
- (3) “capital costs” means capital costs as referred to in Section 648 of the Municipal Government Act;
- (4) “Construction Completion Certificate” means a certificate provided by the engineer of record verifying that performance of all work has been completed pursuant to the Agreement, including remediation or correction of deficiencies;
- (5) “cost recovery agreement” means the agreement that is signed by the developer responsible for the costs associated with construction and/or installing the infrastructure, which identifies the recoverable costs on a per acre basis to be applied to the benefitting lands;
- (6) “Council” means the duly elected Council for Rocky View County;  
“County” means Rocky View County;
- (7) “developer” means the agreement holder who is also a registered owner of lands within the development region;
- (8) “development” means development as defined in the Municipal Government Act;
- (9) “development agreement” means an agreement under Section 655 of the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26;
- (10) “development permit” means a document that is issued under a land use bylaw and authorizes a development;
- (11) “development region” means the lands that are identified as benefiting from the infrastructure;



ROCKY VIEW COUNTY

## INFRASTRUCTURE COST RECOVERY

### Council Policy

C-406

- (12) “infrastructure” means such things as roads, water, wastewater, stormwater and similar municipal type services as may be required;
- (13) “lands” means the private titled lands in accordance with the Land Title Act, as amended;
- (14) “subdivision” means subdivision as defined in the Municipal Government Act; and
- (15) “subdivision approval” means the date the Council or the Subdivision Appeal Board renders a decision on a subdivision application.