



New Tiering and Securities Framework revisions for 2020

Changes to The City's Tiering and Securities (T&S) framework will reduce barriers for new developers to enter the Calgary market.

The City's Planning and Development department uses a Tiering and Securities framework to rank developers into tiers that determine the securities amount required before construction begins. The revisions provide a risk-managed approach to supporting new investment opportunities through easing securities requirements for developers who meet their performance requirements.

City of Calgary staff members and BILD Calgary representatives came together last year to review the current process, including risk factors for the City, market trends, security requirements, developers' track records, and best practices in the industry.

Key changes include:

- A revised tier system, with new criteria determining a developer's tiering
- Reduced security amounts for companies meeting criteria
- Timing of the security reduction (at each CCC) and securing the off-site obligations
- Change in former three-tier numbered system to a five-tier letter system that more precisely reflects a developer's track record in meeting project requirements
- Ability for upward movement in tier system based on performance

The changes will allow developers to use money for other community investment instead of capital being locked into securities. The end goal is to support a robust development industry that addresses demand in Calgary's new and existing communities.

The Tiering and Securities recommendations are outlined in detail in the 2020 Terms and Conditions – Development Agreement and can be found on the City Website:

<https://www.calgary.ca/PDA/pd/Pages/Urban-Development/Development-agreements.aspx> .