

2019 Development Agreement Approved

As part of our commitment to the development industry, we have worked closely with our partners at BILD to update and finalize the 2019 Master Development Agreement (MDA). Changes to the MDA ensure efficiencies and improvements are made in alignment with the needs of the industry and our city to support businesses in our community.

The updated [2019 Master Development Agreement](#) outlines that The City now accepts developer surety bonds for developer obligations as an alternative to letters of credit. Developers with existing development agreements from 2016 or newer are now able to transition their security obligations into surety bonds. This amendment makes Calgary one of the first large municipality in Canada to accept developer surety bonds for developer obligations and is an example of the improvements you will find in the updated MDA.

A list of the changes between the 2018 MDA and 2019 are outlined below:

- 1.01 (17) Changed Construction Completion Date from 5 years to 6 years.
- 1.01 (18) Updated definition of Construction Drawings to clarify the inclusion of revisions and form part of the agreement.
- 1.01 (80) Updated definition of Storm Water Pond Facilities to clarify that it includes storm water reuse.
- 4.02 - onward Changed “Senior Infrastructure Engineer” to “Development Engineer”.
- 22.04/22.13 (4) Updated “Alberta Association of Professional Engineers, Geologists and Geophysicists” to “Association of Professional Engineers and Geoscientists of Alberta”.
- 2.08 Removed Community and District Parks Charge and references to Developer Funded Infrastructure Stabilization Fund – Community and District Parks.
- Updated 5.01 regarding the installation of sanitary sewers to model language in 6.01 by changing “except as otherwise provided in this agreement” to “except as hereinafter provided.”.
- 3.03/3.04 Updated oversize amounts by replacing “oversize” with “Developer Funded Infrastructure Stabilization Fund”.
- 3.03/3.04 Utility oversize and major road standard oversize charges now **only** apply to greenfield development.
- 6.03 Utility oversize now has to be established in the construction drawings before the signing of the interim indemnity agreement (was special clauses agreement).
- Deleted 10.03(1) regarding school sites as agreed to by the City and BILD.
- Modified 14.05 to clarify that fill material on reserved parcels has to be in accordance with parks specifications and the backfilling specifications of the City.
- Modified *Part 15: Street lighting, walkway lighting and reserve pathway lighting* to clarify that the City does the work through Enmax and modify the section as agreed to by the City and BILD.

- Modified *18.01* updated security amounts for tier three developers, and added acknowledgement of set-off.
- *18.08(4)* has been moved to *18.04*, which states that the City can require more security but only to the amount of the original security amount.
- *18.08* now requires developers to provide security renewal at least 60 days before the expiration of the security. Previously the renewal was 15 days.
- *Part 19 Insurance* and *Part 20 Indemnification* have been updated.
- *22.01 Construction completion for stormwater reuse system* specifies that the reuse system will be listed and administered in a separate CCC.
- *23.07 maintenance periods* specifies that the maintenance period for stormwater reuse system will be as approved by Water Resources.
- *24.02* added ability for the City to create a FAC for any unfulfilled obligation, which will mitigate the issue of as-builts not being submitted.
- Clarification regarding insolvency was added to *25.01 defects or default*, as a default under the agreement also adds a requirement that if the developer has provided a bond, the City will give notice to the surety company if the developer defaults.
- Schedule “1” Updated unit rates and levy amounts.

The updated MDA and details on the Developer Surety Bonds can be found on our development agreements page of Calgary.ca. For questions regarding the 2019 MDA, please contact your City of Calgary Infrastructure Strategist or submit a [Public Infrastructure 311 request](#).