

Development and Subdivision Agreement Condition Guide



Planning & Development Services
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Before the start of construction of a subdivision or development project, it is the developer's responsibility to confirm that they have the appropriate permits, approved drawings, and agreements, and have met the required subdivision or development permit conditions. The information below outlines the requirements to meet these conditions.

- A. Development & Construction Approvals (Before Construction):
 - a. Agreements
 - i. Service Agreements
 - ii. Development Agreements
 - b. Agreement Process
- B. Development & Construction Project Completion (After Construction):
 - a. Service Agreements
 - i. CCC/FAC
 - b. Development and Authorization of Work Agreement
 - i. Final Inspection
 - c. Other Project Close Out Requirements

Note:

Development Permits are not Building Permits. For more information, refer to:

- [Development Permits webpage](#)
- [Building Permits webpage](#)

A. Development and Construction Approvals:

Before the start of construction of a subdivision or development project, it is the developer's responsibility to confirm that they have the appropriate permits, approved drawings, and agreements, and have met the required subdivision or development permit conditions.

a. Agreements

Service Agreement, Development Agreement, or Authorization of Work Within Development Area may be a condition of the approved Subdivision or Development Permit.

i. Service Agreements:

A Service Agreement ensures:

- The development is constructed in accordance with the City of Medicine Hat standard.
- The developer pays for the share of the infrastructure that they will benefit from.

[Service Agreement Template](#)

ii. Development Agreements or Authorization of Work Within Development Area:

A Development Agreement or authorization of work within the development area ensures:

- The City infrastructure impacted by the development is built to the City of Medicine Hat standard.
- The development area is completed as per the agreement and approved detailed design drawings.

[Development Agreement Template](#)

If an agreement is identified as a condition of your approval, the following requirements must be met before the start of construction:

1. Executed Agreement (signed by developer and City)
2. Security must be provided to the City
3. Proof of Insurance must be provided to the City

Security is required to ensure that developer installed improvements are built as per the design and that the site is completed as per the approved drawings. Security is to be provided in the form of a Letter of Credit. Subdivision Bonds are an alternative form of security that is acceptable for Service Agreements.

Proof of Insurance is required to ensure the developer is responsible for their project.

Fees for a Service Agreement, Development Agreement, or Authorization of Work in Development Area Agreement are found in the [PDS Fee Guide](#).

b. Agreement Process

1. An agreement is identified as a condition of the Subdivision or Development Permit.
2. Detailed Design Drawings and any required supporting reports/studies or documentation are submitted and reviewed as a condition of the Subdivision or Development Permit, through the [Technical Review](#) process.
3. Drafting of the agreement is started by Development Engineering as the detailed design drawings approach completion and approval.
4. A template is utilized as a basis of the agreement with additional information included from the Detailed Design Drawing review.
 - a. Template found here:
 - [Service Agreement](#)
 - [Development Agreement](#)
5. The Developer is to provide the following **Requirements** for the creation of the agreement:

	Requirements
Administrative Information:	<ul style="list-style-type: none"> • Developer Corporate Name • Developer Representative Name (individual with corporate signing authority) • Developer’s Address • Developer’s Contact information (phone & email)
Agreement Section Requirements (<i>not all sections will apply to each agreement</i>):	<ul style="list-style-type: none"> • Subdivision Approval & Subdivision Plan (Schedule A) – Provided by the Developer. • Special Conditions drafted by Development Engineering (Schedule B) – provided by Development Engineering. • Utility Right of Way Plans and Instruments Registered on Title Permitted Prior to City Utility Right of Way (Schedule E) – Provided by the Developer. • Cost Sharing (Schedule F) – Provided by the Developer. • Developers Cost Sharing Contribution (Schedule G) – Provided by Development Engineering. • Development Area and Approved Plans (Schedule H) – Provided by the Developer, must be approved by Development Engineering.
Security:	<ul style="list-style-type: none"> • The developer is to provide a Cost Estimate for the Developer Installed Improvements & Utilities. Development Engineering will determine the required security amount (typically 25%). • Security is to be provided through a Letter of Credit (LOC) or Subdivision Bond. • A letter of Credit (LOC) or Subdivision Bond must be provided to the City before the execution of the agreement. • It is encouraged that the developer works with their financial institution early in the process to avoid delays.

Insurance:	<ul style="list-style-type: none"> • The agreement template identifies the insurance requirements of the service or development agreement. • Proof of Insurance must be provided in the form of a certificate prior to the execution of the agreement. • The name on the insurance must match exactly the Developer Name provided for the agreement. • The Certificate Holder is the City of Medicine Hat, the City of Medicine Hat must be listed as additional insured. • It is the developer’s responsibility to ensure the insurance remains in place until Final Acceptance Certificates or Final Inspection is completed.
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6. The agreement is compiled by PDS Development Engineering:
 - a. Detailed design drawings must be approved by Development Engineering.
 - b. All information identified under Agreement Section Requirements must be provided to complete the agreement.
 - c. The draft agreement is reviewed by the City Solicitor prior to being provided to the developer for their review.
 - d. 1-2 week process, dependent on when all required information is received and the complexity of development**

7. The agreement is provided to the Developer for their review.
 - a. Two hard copies will be provided to the developer, these are available for pick-up or may be couriered to the developer. Physical signatures are required as the agreement may be registered at Land Titles.
 - b. It is encouraged that the agreement be reviewed by the developer’s legal representative.
 - c. Proposed wording changes may be made in writing through a marked-up version of the agreement.
 - d. Development Engineering is available to meet and discuss the agreement as required.
 - e. Timelines are dependent on the developer’s review and the complexity of the agreement, there may be revisions shared between the developer and the City to satisfy both parties.**

8. Developer signature:
 - a. The developer’s representative with appropriate corporate signing authority is to sign the two hard copies of the agreement and affixes the corporate seal.
 - b. The Developer is to drop off the two copies of the agreement or couriers them back to the City at City of Medicine Hat, Planning and Development Services, 580 First Street SE, Medicine Hat, Alberta T1A 8E6
 - c. Security and Proof of Insurance are required at this time and are to accompany the agreement.
 - d. The agreement will not be sent for execution without the Security and Proof of Insurance.
 - e. The timeline is dependent on the developer providing all the required information.**

9. Agreement Execution
 - a. The agreement is circulated within the City for final signing.
 - b. Timelines are dependent on the availability of staff.**

10. Fully Executed Agreement

- a. A notice is sent to the developer that the agreement has been fully executed and is available for pick-up or to be couriered back for their records.

11. Complete: work may commence on site.

Important Information Regarding Timelines:

- Timelines are dependent on **all information** being provided by the developer to the City.
- The City is committed to reviewing and circulating the information in a timely manner. The agreement process is subject to resource capacity and having all required information. The developer is to make the City aware of important timelines and plan for a sufficient timeline to review and sign the agreement.

B. Development Project Completion

a. Completion of Service Agreements

When a developer has completed aspects of a subdivision, a **Construction Completion Certificate (CCC)** will be required to start the warranty period, following the warranty period a **Final Acceptance Certificate (FAC)** is required to transfer the infrastructure to the City.

Construction Completion Certificates (CCC) are typically required for:

- Rough Grading/Slope Management/Environment Mitigation
- Underground Utilities (Water, Sanitary, Storm, and Storm Water Management Facilities)
- Surface Improvements (Roads, Sidewalks, etc.)
- Open Space Development and Trails (Park spaces)
- Other

Final Acceptance Certificates (FAC) are typically required for:

- Erosion Control and Sediment Mitigation
- Underground Utilities (Water, Sanitary, Storm, and Storm Water Management Facilities)
- Surface Improvements (Roads, Sidewalks, etc.)
- Open Space Development and Trails (Park spaces)
- Other (Storm Ponds)

Fees for CCC/FAC Applications are found within the [PDS Fee Guide](#). The fee is for the application and review, if a CCC/FAC is rejected, the fee is not returned to the applicant.

The full CCC/FAC process is found in Section 1.9 of the [MSSM](#).

Other conditions of project completion may be outlined in the Service Agreement.

i. Process for CCC Applications

1. [CCC Certificate](#) is completed by a Professional Engineer
 - a. The certificate must be authenticated as per [APEGA's Authenticating Professional Work Products Standard 2022](#).
2. An inspection may be scheduled with the City for review of deficiencies prior to application or after application, if scheduled after an application is made, delays may be expected with timelines for review. Planning & Development Services can be contacted for scheduling inspections at pbe@medicinehat.ca
3. A full list of requirements for CCC's are found in Section 1.5 of the [MSSM](#). This section of the MSSM is to be reviewed by the Engineering Professional prior to making the application.
4. The following information is to be submitted with each CCC Certificate; other information may be required at the discretion of Planning & Development Services.
 1. Rough Grading:
 - Geotechnical Report - Letter (Declaration) from Geotechnical Engineer meeting Section 1.5.1.2 of the MSSM.
 2. Underground Utilities:

a. Deep Utilities:

- As-builts*
- CCTV Video
- Materials Testing Report (Trench Compaction)

b. Storm Drainage System:

- As-builts*
- CCTV Video
- Materials Testing Report (Trench Compaction or Pond Liner)

3. Surface Improvements:

- Materials Testing Reports
- As-builts*
- Deep Utility CCC should be sent in at the same time.

4. Open Space Development and Trails:

- As-builts* or Record Drawings

*In lieu of As-builts at CCC, written certification that as-built plans and reports will be submitted to the City by March 1 of the year following the issuance of the Completion Certificate for Surface Works is required.

ii. Process for FAC Applications

1. [FAC Certificate](#) is completed by an Engineering Professional.
2. The certificate must be authenticated as per [APEGA's Authenticating Professional Work Products Standard 2022](#).
3. The developer is to confirm that the warranty period has been met as per Schedule 1.7 of the [MSSM](#) prior to submitting a FAC application.
4. An inspection may be scheduled with the City for review of deficiencies prior to application or after application, if scheduled after application is made, delays may be expected with review timelines. Planning & Development Services can be contacted for scheduling inspections.
5. A full list of requirements for FAC's are found in Section 1.7 of the [MSSM](#). This section of the MSSM is to be reviewed by the Professional Engineer prior to making the application.
6. The following information is to be submitted with each FAC; other information may be required at the discretion of Planning & Development Services:
 1. Letter confirming deficiencies and how they were addressed.
 2. Record Drawings for the development
 3. Erosion Control and Sediment Mitigation:
 - Geotechnical Report
 - Letter (Declaration) from Geotech Engineer meeting MSSM 1.5.1.2.
 2. Underground Utilities:
 - Deep Utilities:
 - As-builts

- Deficiency letter - a letter outlining all maintenance, repair, or replacement of defects complete.
- Storm Drainage System:
 - As-builts
 - A deficiency letter
 - O&M Manual
- 3. Surface Improvements:
 - Materials Testing Reports
 - As-builts
- 4. Open Space Development and Trails:
 - As-builts

CCC/FAC Application: may be sent to Planning & Development Services at pbe@medicinehat.ca – subject line: *CCC/FAC application – “Development Name”*

b. Completion of Development Agreements

When a developer has completed all aspects of a development project, a final inspection must be requested by the developer to Planning & Development Services. The final inspection is to confirm the site is built as per the approved drawings and to determine if the security may be released. A letter confirming the site has been built as per the approved drawings is to be provided before the inspection by the developer’s design consultant.

A Development Agreement Final Inspection (security release) fee is found in the [PDS Fee Guide](#). The fee is for the inspection, if the inspection is not accepted, the fee will not be returned to the applicant. The applicant must re-apply when deficiencies are fixed. It is the developer’s responsibility to ensure the site is completed as per the approved design before requesting a final inspection.

c. Other Project Close-out Requirements

The developer is responsible to meet all conditions of their Development Permit, Development Agreement, or Service Agreement. Some conditions or requirements may be required at the end of the project, these may include but are not limited to:

- Grading Plan
- Drainage Plan
- Record Drawings
- Instrument Discharges
- Consolidations/Subdivisions
- Other Agreements

It is the developer’s responsibility to ensure all conditions are met when the project is completed, and that all required information is submitted to the City.