



# TOWN OF COMOX

## **PAYMENT OF DEVELOPMENT COST CHARGE BY INSTALMENTS**

### **1. Definitions**

“**charge**” means a development cost charge imposed under section 933 (6) of the *Local Government Act* for a subdivision approval or grant of a building permit;

“**developer**” means every person on whom a charge is imposed.

### **2. Payment may be by instalment**

A developer liable to pay a charge may elect to pay it by instalments, subject always to the conditions set out in sections 3 to 7.

### **3. Exception**

Section 2 does not apply where the charge is under \$50,000.

### **4. Payment of charge in full**

The developer shall pay the charge in full within 2 years after the date that the subdivision is approved or the building permit is granted by paying not less than

- a) 1/3 of the total charge at the time of the approval of the subdivision or granting of the permit, and
- b) ½ of the balance within one year after the date of the approval of the subdivision or granting of the permit

### **5. Failure to pay instalment**

Where a developer elects to pay the charge by instalments and fails to pay an instalment within any time required for payment by section 4, the total balance of the charge becomes due and payable immediately.

### **6. Interest**

No interest is payable on the unpaid balance of a charge until it becomes due and payable, but when it does, it is a condition of election under section 2 that interest is payable from that date until payment at the rate of rates prescribed under section 11 (3) of the *Taxation (Rural Area) Act* for the period of non-payment.

### **7. Surety for payment by instalment**

A developer electing to pay a charge by instalments must deposit with the Director of Finance at the same time as he pays the first instalment an irrevocable letter of credit from a bank, credit union or a trust company registered under the *Financial Institutions Act* which ensures to the satisfaction of the Director of Finance that upon default the balance of the unpaid charge will be recoverable from the bank, the credit union or trust company.