

 TOWN OF COMOX		POLICY AND PROCEDURE MANUAL
Section: COUNCIL	Number: CCL-090	Office of Primary Responsibility: FINANCE
DEPOSITS POLICY		
Type: ☒ Policy ☒ Procedure	Authority: ☒ Council ☐ Administrative	Approved By: ☒ Council ☐ Chief Administrative Officer ☐ Department Head
Date Adopted: July 8, 2026	Date Last Amended: N/A	Date to be Reviewed:
Manner Issued: Website, Internal Memo, Upon request		

1 PURPOSE

- 1.01 This policy provides guidance for instances where deposits or security is required by the Town of Comox (the "Town") for various purposes including, but not limited to, Development Cost Charge and Amenity Cost Charge Instalments Regulation, damage deposits, planning and development requirements, and performance bonds.

2 POLICY STATEMENT

- 2.01 The Town desires to provide a variety of options for depositors to provide security beyond a cash deposit while still providing assurance of payment for the Town and ensure the obligations of the depositor are met. This allows depositors to choose the option that is optimal for their needs while still providing a guarantee to the Town that their obligations will be completed correctly or paid when due.

3 DEFINITIONS

- 3.01 "Depositor" is an individual, business, or entity that provides cash, LOC or surety bond to the Town to act as a deposit or security for a purpose or requirement set out by the Town.
- 3.02 "Cash" refers to Canadian-denominated currency consisting of physical cash or a transfer of funds to the Town's bank account either electronically or by paper payment including cheque, money order, bank draft, or other form of payment deemed eligible by the Director of Finance or their designate.
- 3.03 "Letter of Credit" ("LOC") refers to an irrevocable letter of credit from a bank or a credit union or trust company that has a business authorization issued under the Financial Institutions Act and otherwise meets the standards set forth in the [Development Cost Charge and Amenity Cost Charge \(Instalments Regulation\), BC Reg 166/84](#), as amended, and this policy.
- 3.04 "Surety Bond" refers to an irrevocable on-demand surety bond of an insurer that has a

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business authorization issued under the Financial Institutions Act and otherwise meets the standards set forth in the Development Cost Charge and Amenity Cost Charge (Instalments Regulation), BC Reg 166/84, as amended, and this policy.

- 3.05 "Security Information Guide Table" (the "Table") is a table listing the various security types and the security options available.
- 3.06 "Regulation" refers to the [Development Cost Charge and Amenity Cost Charge \(Instalments Regulation\), BC Reg 166/84](#), as amended, that the Town has determined to use as a reference for deposits.

4 SCOPE

- 4.01 This policy applies to all deposits that the Town may collect.

5 RESPONSIBILITIES

- 5.01 The Town may review the security on offer, from time to time, and determine if the security offered is still compliant with the regulation and the policy or if it may need to be replaced with an eligible security.

6 PROCEDURES

- 6.01 The depositor shall consult the Table in Appendix A to review what security options are available for the security type and to determine which option best suits their needs.
- 6.02 If a cheque, money order, bank draft, or other form of paper or electronic payment is offered then it will not be considered to be an eligible deposit until the Town is satisfied that the paper payment issuer has honoured the payment or for electronic payments that the funds have been deposited to the Town's account. The Town reserves the right to confirm the validity of the paper payment and the transfer of funds with the issuing financial institution to ensure there were no stop payments or other attempts to cancel redemption.
- 6.03 When an LOC is offered as security the LOC shall use the wording in the Town's LOC template and the LOC shall be subject to a review to ensure that it complies with the regulation and the policy.
- 6.04 When a surety bond is offered as security the surety shall be subject to a review to ensure that it complies with the regulation and the policy. The surety issuer and the depositor shall sign the Town's irrevocable on-demand surety bond agreement, as applicable, in addition to providing the surety bond.

7 STAFF ROLES AND RESPONSIBILITIES

- 7.01 The Director of Finance, or their designate, is responsible for reviewing the offered security to determine if it complies with the policy and eligibility and is also responsible for reviewing and updating the templates, if required, from time to time.
- 7.02 The Chief Administrative Officer, or their designate, is responsible for providing an impartial appeal process for denied securities.

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Amendment Date	Section Amended or Description of Amendment	Resolution Number
July 8, 2026	CCL-090 Policy Approved	2026.252

APPENDIX A:

Security Information Guide Table			
Security Type	Project/Permit Number	Civic Address/Comments	Security Options
Landscaping	Subdivision Application Number Development Permit Number	Civic addresses are located in the Application or Development Permit.	Cash or Letter of Credit (LC)
Tree Bonding and Tree Replacement	Tree Permit Number	Civic addresses are located in the Tree Permit.	Cash or LC
Offsite works and services	Subdivision Application Number Development Permit Number	Civic addresses are located in the Development Permit.	Cash, LC, Surety Bond
Servicing Agreement (except Maintenance Bond)	Subdivision Application Number	Civic addresses are located in the application or agreement.	Cash, LC, Surety Bond
Erosion and Sediment Control	Erosion and Sediment Control Permit Agreement	Civic address is the location on the Erosion and Sediment Control Permit Agreement.	Cash or LC
Maintenance Bond	Subdivision Application Number	Civic addresses are located in the application or agreement.	Cash or LC
Comox Development Cost Charges (DCCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
Comox Amenity Cost Charges (ACCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
CVRD Development Cost Charges (DCCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
CVRD Capital Improvement Cost Charges	Building Permit Number or Subdivision Application Number		Cash or LC
Damage Deposit	Building Permit Number or Highway Use Permit	Civic addresses are located in the permit.	Cash or LC
Other Deposits not defined – contact for information	As applicable	As applicable	Cash or LC