Surety Bond for DCCs/ACCs Instructions

Attention Financial Institutions

Pursuant to Development Charge (Instalments) Regulation, B.C. Reg. 166/84 and the Development Cost Charge Regulation, B.C. Reg. 114/2018, a developer who elects to pay a charge by instalments may, as a form of acceptable surety for those instalments, choose to provide a surety bond to the Town of Comox.

To ensure that we provide the best service to developers, we require each insurance institution to use our standard Irrevocable On-Demand Surety Bond template ensuring specific information is accurately included. We have detailed the key components of this document for your information:

- For all Surety Bond adjustments and changes approved by the Town of Comox, we may fax or mail letters directly to the developer, with a copy to the insurance institution, however we still require the original on file with the Town.
- Amendments issued by insurance institutions and **accepted by the Town of Comox** may be acknowledged electronically, however we still require the original on file with the Town.
- For all Surety Bond claims, the Town of Comox will present a written demand to the insurance institution.
- Each Surety Bond can only have one purpose (i.e. one agreement or one permit only) for the approved purposes as set out in the Security Information Guide Table and policy.
- For DCC and ACC surety bonds, please complete all subsections that are applicable and for their individual amounts under section A of the template for each Surety Bond. For example, you are able to combine a Comox DCC, a Comox ACC and a Comox Valley Regional District DCC onto one surety bond.
- The instalment payment will become due the **earlier** of:
    1. four years after the date that the subdivision is approved or the building permit is granted, or;
    2. 15 business days after all required occupancy permits have been issued and the city has given written notice to the developer that the conditions, if any, in those permits have been satisfied and payment of the balance of the charge is due.

Please review the enclosed templates. For questions, please contact finance@comox.ca or call 250-339-2202.

Thank you for your cooperation.

Updated September 2026

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

IRREVOCABLE ON-DEMAND SURETY BOND (ACCs and DCCs)

BOND NO. ____________________ (the "**Bond**")

BOND AMOUNT: $ ___________________

____,
(Name and Address of Principal)

as principal, hereinafter called the "**Principal**", and

____,
(Name and Address of Surety)

a corporation duly authorized to transact the business of suretyship in British Columbia, as surety (hereinafter called "**Surety**") are held and firmly bound to the Town of Comox, as obligee (hereinafter called the "**Obligee**"), in the amount of ____ Dollars (<insert total sum of Charges> $_________________) lawful money of Canada, hereinafter called the "**Bond Amount**" for the payment of which sum, the Principal and the Surety bind themselves, their heirs, executors, successors and assigns, jointly and severally.

WHEREAS:

A. In connection with the issuance of Building Permit No. ______ OR approval of Subdivision Application No. _____ with respect to lands civically known as __________________________________ ____, Comox, British Columbia and legally described as ____ PID: __________________, the Principal is liable to pay to the Obligee:

  i. a development cost charge in the amount of $____________________, imposed under the Town of Comox's Development Cost Charges Bylaw No. 1526 and/or the Comox Development Cost Charges Bylaw No. 2053, as amended or replaced from time to time, as applicable, enacted pursuant to section 559(1) of the *Local Government Act*, R.S.B.C. 2015, c. 1, as amended or replaced from time to time, (the "***Local Government Act***");

  ii. an amenity cost charge in the amount of $____________________, imposed under the Town of Comox's Amenity Cost Charges Bylaw No. 2052, as amended or replaced from time to time, enacted pursuant to section 570.2(1) of the *Local Government Act*;

  iii. a development cost charge in the amount of $____________________, imposed under the Comox Valley Regional District's Development Cost Charge Bylaws No. 571 and 572, as amended or replaced from time to time, enacted pursuant to section 559(1) of the *Local Government Act*.

  (each a "**Charge**" and, collectively, the "**Charges**").

B. The Principal has elected to pay each of the Charges by instalments pursuant to the *Development Charges (Instalments) Regulation*, B.C. Reg. 166/84, as amended or replaced from time to time, (the "*Regulation*").

C. Pursuant to the *Regulation*, the Principal is required to deposit with the Obligee, at the same time as it pays for the first instalment of the Charges, a satisfactory security to ensure the payment of the unpaid balance of the Charges upon default of the principal.

D. The Principal has paid the first instalment of the Charges in the total amount of $______________ (equaling ¼ or 25% of the Charges).

E. Pursuant to section 4(b) of the *Regulation*, the Principal must pay $______________ (the "Bond Amount"), the outstanding balance of the Charges by the earlier of, as applicable:

   a. the date that is four years after the date of the approval of the subdivision or issuance of the building permit,

      and

   b. the date that is 15 business days after the date on which (A) an occupancy permit is issued for the development, and (B) the Obligee gives written notice to the Principal that the conditions, if any, in this permit have been satisfied and payment of the balance of the Charges is due; and

NOW THEREFORE, the foregoing obligation is subject to the following terms and conditions:

1. Within 15 business days after the Obligee demands payment from the Surety in accordance with section 2 of this Bond, the Surety shall pay to the Obligee the balance of the Charges in the amount identified in the demand notice from the Obligee under section 2.

2. The Obligee may demand payment from the Surety pursuant to this Bond by giving a written notice to the Surety of such demand that includes:

   a. a statement that the Obligee has determined that the Principal has failed to pay the balance of the Charges in accordance with section 4(b) of the *Regulation* and this Bond, and

   b. the balance of the Charges.

3. The Surety must make the payment referred to in section 1 of this Bond within the time provided under that section despite any objection of the Principal and the Surety may not assert any defence or other grounds for not making the payment, including, without limiting the foregoing, any objection, defence or ground based on any of the following:

   a. that the Principal is not in default of its obligations under the *Regulation*;

   b. that the Principal committed any fraud or misrepresentation in its application for, or otherwise in connection with, this Bond; or

   c. that the amount demanded is not accurate or is not in accordance with the *Local Government Act*, the *Regulation* or any of the Town of Comox or Comox Valley Regional District bylaws referred to in this Bond.

   Without limiting the rest of this section, the Surety's liability under this Bond shall not be discharged, released, modified or otherwise affected by (i) any arrangement between the Obligee and the Principal, (ii) any dispute between the Surety and the Principal, (iii) the taking or receiving of security by the Obligee from the Principal, (iii) any changes to the *Local Government Act*, the *Regulation* or any of the Town of Comox or Comox Valley Regional District bylaws referred to in this bond or (iv) the Obligee's exercise or non-exercise of any rights or remedies in relation to the collection of the Charges.

4. The Surety shall make all payments under this Bond without deduction, set-off or withholding for any reason whatsoever and under no circumstances shall the Surety be entitled to any repayment or reimbursement from the Obligee of any payments made to the Obligee under this Bond.
5. The Obligee may make multiple demands under this Bond.
6. The Bond Amount may be reduced from time to time as advised by notice in writing by the Obligee to the Surety and whether to reduce the Bond Amount shall be at the Obligee's sole discretion.
7. In no event shall the Surety be liable for a greater sum than the Bond Amount.
8. The Surety may not terminate its obligations under this Bond unless:
    a. the Surety gives written notice to the Obligee and the Principal of its intention to terminate this obligation at least 90 days before the intended date of such termination, and
    b. the Principal delivers to the Obligee another surety in accordance with the *Regulation* at least 30 days before the date on which the Surety intends to terminate its obligations, provided that no such termination shall be effective until and unless the Obligee has provided written notice to the Surety that the Obligee has accepted such replacement surety.
9. Nothing in this Bond (including any termination) shall limit the Principal's payment obligations to the Obligee under the Town of Comox or the Comox Valley Regional District bylaws referred to in this Bond or the *Regulation*, including the obligation to pay interest under section 6 of the *Regulation*.
10. In this Bond, the term "business day" shall mean any day that is not a Saturday, Sunday or a holiday as the term "holiday" is defined under the *Interpretation Act*, R.S.B.C. 1996, c. 238.
11. This Bond shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable thereto and shall be treated, in all respects, as a contract entered into in the Province of British Columbia without regard to conflict of laws principles. The Principal and Surety hereby irrevocably and unconditionally attorn to the jurisdiction of the courts of the Province of British Columbia.
12. Any notice to be provided by a party to this Bond to another party to this Bond shall be delivered by hand, registered mail or electronic mail to the receiving party's address set out below, subject to any change of address in accordance with this section. Any notice delivered by hand shall be deemed given on the day of delivery. Any notice sent by electronic mail shall be deemed given on the day it is sent. Any notice sent by registered mail shall be deemed given on the day that is five business days after the date on which it was mailed. The address for the Surety, the Obligee or the Principal may be changed by giving notice to the other parties setting out the new address in accordance with this section.

	The Surety:	The Principal:	The Obligee:
Name:			Town of Comox
Address:			1809 Beaufort Avenue, Comox, BC V9M 1R9
Email:			finance@comox.ca
Phone:			250-339-2202

[*Signature page follows*]

IN TESTIMONY WHEREOF, the Principal and the Surety have Signed and Sealed this Bond dated ________________________, in the year ___________.

SIGNED AND SEALED this _____ day of _________________, 20___, in the presence of:

[*Principal Proper Name*]

By: ____ Witnessed By: __________________________________

Name: ____________________________________ Name of Witness: ______________________________

Title: ______________________________________ Address of Witness: ____________________________
I have authority to bind the corporation.

____

____

[*Surety Proper Name*]

By: ____

Name: ____________________________________

Attorney-in-fact: ___________________________