

Revised Prepaid Development Charge Credit Agreement Principles

- The cost of the Mount Albert Water Supply works is estimated at \$5.0 million.
- The Mount Albert Developer Group will be responsible for prepaying water development charges (DC) equivalent to \$4.0 million to account for the growth-related component of the works.
- The Mount Albert Developer Group will be responsible for providing funding in the following manner:
 - 90% prior to tendering the water supply works;
 - The remaining 10%, adjusted up or down in accordance with the tendered price, prior to award of the tender for the construction of the water works.
- The Mount Albert Developer Group undertakes to provide their proportionate share of additional funding related to construction of the capital works within 15 business days of a written request from the Region and conversely will be refunded their share of any savings upon project completion to the satisfaction of the Region.
- The Mount Albert Developer Group will be entitled to recover prepaid development charges by way of DC credits against the water component of the Regional DC payable at the time of subdivision(s) registration.
- The Region will direct any water development charges collected by the Region from non-participating developers within the benefiting area to the Mount Albert Developer Group to reduce the outstanding water credit obligation.
- It is projected that Mount Albert Developer Group will achieve water credits totalling approximately \$2.1 million through water DC's payable for their developments (490 units x \$4,384).
- The remaining amount eligible for DC recovery of \$1.9 million (less any DC recoveries from non-participating landowners in the benefiting area) will be distributed to the participating member(s) of the Mount Albert Developer Group on the anniversary after implementation of the water supply works and based on the timing of registration of the phase(s) of the subdivision(s).
- An amount equal to the number of phase(s) or the shortfall will be distributed to individual landowners in five annual instalments based on the registration of their phase(s) of the subdivision. The registration of subsequent phase(s) of the subdivision will trigger the distribution of another payment of the shortfall in five annual instalments, with the final balance of the shortfall being distributed in five annual instalments based on the registration of the final phase of the subdivision.
- Subject to the full registration of all the plans of subdivision within an identified timeframe, distribution of the balance of the outstanding shortfall shall be made within ten years after registration of the first phase of the subdivision. (i.e. if the first phase is registered on January 2009 the Region will reimburse, to that developer, any outstanding shortfall by January 2019).