



City of Kelowna
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Council Policy

Posting of Security

APPROVED September 14, 1970

RESOLUTION: R375/10/04/26
REPLACING: R892/99/11/01; R-1970/09/14
DATE OF LAST REVIEW: November 2009

THAT whenever the City of Kelowna requires the posting of security to guarantee payment for work or services to be performed by the said City, or to guarantee performance by an applicant for subdivision approval or for rezoning or for any other purpose, such security shall be in the form of cash and/or an irrevocable letter of credit;

AND THAT where the security provided is in the form of cash in an amount equal to or greater than Five Thousand Dollars (\$5,000.00) and it is estimated that the funds will not be expended by the said City for the purpose intended for a period in excess of 30 days, the amount shall be held by the City of Kelowna and earn interest equivalent to a Royal Bank prime linked cashable guaranteed investment certificate;

AND FURTHER THAT when the security is no longer required the full amount of the security provided, together with accrued interest, shall be repaid to the depositor after deduction of any amounts due to the City of Kelowna.

REASON FOR POLICY

To establish a policy for taking, holding and returning monies posted as security to guarantee payment for work or services.

LEGISLATIVE AUTHORITY

Local Government Act, Sec. 925

PROCEDURE FOR IMPLEMENTATION

Development Services and/or Land Use Management staff provide the Financial Services Department with a copy of subdivision or rezoning agreements indicating that amount of security required and that is held in Financial Services until instructed to release by either Development Services or Land Use Management staff. With the exception of landscaping bonding, the Financial Services Department requires a Statutory Declaration to be completed by the depositor prior to release of the security.