

# PLANNING AND ZONING DEPARTMENT

MUNICIPAL CENTER, 196 NORTH MAIN STREET

SOUTHINGTON, CONNECTICUT 06489

Phone (860) 276-6248 Fax (860) 628-3511

## BOND PROCEDURES

The following types of bonds are processed through the Planning Department. Any bonds set must be posted prior to the filing of a subdivision/resubdivision mylar or the issuance of permits for site improvements:

1. **Subdivision Bonds:** Covers items such as road construction and drainage work associated with subdivision development on private property.
2. **Public Improvement Bonds:** Covers necessary work on public roads caused by private development. A common example is the extension of drainage on a Town road to serve a subdivision.
3. **Bond in lieu of site plan compliance:** Covers remaining site work including landscaping and plantings which must be completed prior to permanent certificate of occupancy. Done only in unusual circumstances and only for 90-day time periods. Must be specifically approved by the Planning and Zoning Commission and runs with a Temporary Certificate of Occupancy.
4. **Erosion and Sedimentation bond:** Covers erosion controls, such as hay bales, silt fence, etc., during construction of a project. Only cash or certified checks are accepted for this type of bond.
5. **Earth Excavation bond:** Covers restoration of excavated areas, specifically spreading 4" of topsoil on slopes not exceeding 2:1, seeding and erosion control blankets where deemed necessary.
6. **Floodplain filling:** Covers work authorized by FF approval.
7. **Maintenance bonds:** Protects Town against faulty construction for an 18 month period. Amount is not less than 20% of original bond amount.

The following bond formats are accepted. Please note that erosion and sedimentation bonds require certified checks.

1. **Certified check:** made payable to the "Town of Southington". A note should be placed on the check regarding what the bond is for, i.e., project name and number and type of bond.
2. **Irrevocable Letter of Credit:** Upon approval by Town Attorney. Sample language is attached.

### ***How are bond amounts determined?***

Once a project is approved and plans have been signed, the Engineering Departments sets the required bond amounts.

1. **Subdivision Bonds:** Set by Town Engineer. Like all bonds, must be posted before mylar filed, work starts. One reduction (approved by PZC) allowed. Final release by PZC upon recommendation of Town Engineer at completion.
2. **Public Improvements Bond:** Set by Town Engineer. Released by the PZC upon recommendation of Town Engineer at completion of work.
3. **Bond in lieu of site plan compliance:** Set by Town Engineer, must be approved by PZC. Release upon recommendation of Town Engineer and approved by PZC. No full certificate of occupancy until released.
4. **Erosion and Sedimentation:** Set by Town Engineer. Released by PZC upon recommendation of Town Engineer and Assistant Town Planner.
5. **Maintenance Bonds:** Amount is not less than 20% of original bond for a term of not less than 18 months. Released by the PZC upon recommendation of Town Engineer.

### ***How do I get a bond reduced or released?***

**SUBMIT A WRITTEN REQUEST FOR REDUCTION OR RELEASE OF BOND(S) TO THE TOWN PLANNER.** This will trigger staff inspection to determine if project is completed. Please allow sufficient time for staff to inspect for release. Once release of the bond is recommended by staff it will be placed on the next available PZC agenda. Please note that after approval by PZC it may take up to two weeks for administrative processing of the bond release.

DATE

Town of Southington  
75 Main Street  
Southington, CT 06489

RE: IRREVOCABLE LETTER OF CREDIT # \_\_\_\_\_  
(applicant/client name and address here)

Beneficiary:

By order of our client, \_\_\_\_\_, we hereby establish this Irrevocable Letter of Credit # \_\_\_\_\_ in your favor for an amount up to but not exceeding the aggregate sum of \_\_\_\_\_ (\_\_\_\_\_) (US DOLLARS), effective immediately and expiring at the offices of the Bank on \_\_\_\_\_ (*must be for a term of not less than 5 years and 3 months, except maintenance bonds must be for a term not less than 18 months*), unless renewed as hereinafter provided.

The term "Beneficiary" includes any successor by operation of law of the named Beneficiaries including, without limitation, any liquidator, rehabilitator, receiver or conservator.

Funds under this credit are available to you against your draft(s), drawn on us, bearing the clause "Drawn under Letter of Credit # \_\_\_\_\_, dated \_\_\_\_\_, along with this original Letter of Credit of insert bank name and address here".

Upon receipt by you of our notice of election not to so renew the Letter of Credit, you may draw hereunder by your sight draft(s) drawn on us and bearing the clause "Drawn under Letter of Credit # \_\_\_\_\_ dated \_\_\_\_\_ of \_\_\_\_\_".

This Letter of Credit sets forth in full the terms of our undertaking. Such undertaking shall not in any way be modified, amended or amplified by reference to any document or instrument referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates and any such reference shall not be deemed to incorporate herein by reference any document or instrument.

All bank charges and commissions incurred in this transaction are for the applicant's account.

We hereby agree with drawers, endorsers and bona fide holders of drafts drawn under and in compliance with the terms of this credit, that such drafts will be duly honored upon presentation to the drawer. The obligation of \_\_\_\_\_ (name of bank) under this Letter of Credit is the individual obligation of \_\_\_\_\_ (name of bank) and is in no way contingent upon reimbursement with respect thereto.

Except as otherwise expressly stated herein, this credit is subject to the Uniform Customs and Practice for the Commercial Documentary Credits (1993 Revision) I.C.C. Publication #500 and any amendments thereto, we agree to effect payment if the credit is drawn against within thirty (30) days after resumption of business.

Very truly yours,

Name of Bank \_\_\_\_\_

\_\_\_\_\_  
By:

Its: