

TOWNSHIP OF LOWER MERION

Issue Briefing

Topic: Maintenance Bonds

Prepared by: Andrea Campisi, Senior Planner

Date: June 1, 2017

I. Action To Be Considered By The Board:

Consider an amendment to the Subdivision and Land Development Code that will allow the Township to require a maintenance bond or other security for a period of 18 months in the amount of not more than 15% of the completion guarantee for a street or other improvement project at the time dedication of the project is accepted.

II. Why This Issue Requires Board Consideration:

The Board of Commissioners is required to approve any proposed ordinance.

III. Current Policy or Practice (If Applicable):

The Board of Commissioners reviews all proposed ordinances on a case by case basis.

IV. Other Relevant Background Information:

The attached ordinance was prepared by the Township Solicitor and amends Subdivision and Land Development Code Sections 135-48 and 135-49 and brings the Code into conformance with the provisions of the Pennsylvania Municipalities Planning Code (PA MPC). These Code sections currently permit the Township to require developers to guarantee that certain public improvements, such as roads and sanitary sewers, have been constructed properly. In addition, the Code allows the Township to require a financial guarantee in the form of a bond for these improvements.

It recently came to the attention of the Township Solicitor that the Code does not accurately represent the provisions in the PA MPC with regard to these items. Therefore, the attached ordinance amends the Code to allow the Township to require developers to guarantee work for a period of 18 months in the amount of up to 15% of the cost of the project. The current language in the Code is outdated and only permits the Township to require a two-year bond in the amount of 5% of the cost of the project.

V. **Impact on Township Finances:**

There is no impact on Township finances.

VI. **Staff Recommendation**

Staff recommends the Board authorize advertisement and notice of intent to adopt the ordinance and hold a public hearing on July 19, 2017.