

CHAPTER 24 – SUBDIVISIONS

Sec. 24-108. Approvals, Appeals, Modifications, Waivers and Administrative Changes, Financial Guarantee for Performance.

- A. The Subdivider shall establish a cash, surety, Certificate of Occupancy Hold Agreement, or other method of performance guarantee, including a combination of methods, for deposit with the Engineering Department in an amount equal to the cost of the work for street improvements and other required public improvements. The method of performance guarantee selected by the Subdivider shall be approved by the City Engineer and shall assure that the work shall be completed in accordance with written City agreements and the approved plans.
- B. The cash method of financial guarantee noted in Subsection A may be established as an escrow account with the City or with a financial institution authorized to do business in the state of Arizona and acceptable to the City. The Subdivider shall deposit cash, certified checks, or negotiable bonds within the account. The amount of the cash escrow account shall be at least equal to the cost of construction, installation and Dedication required as determined by the City Engineer. A written agreement, appropriately executed, between the City and the escrow agent shall be approved as to form by the City Attorney and shall provide both of the following:
 - 1. The principal and accumulated interest shall be held in trust by the City or the escrow agent until released in whole or in part by the City and may not be used or pledged by the Subdivider for any purpose during the period the escrow account is in effect without the approval of the City; and
 - 2. In the case of a failure on the part of the Subdivider to complete the required improvements within the specified time period and upon notice by the City to the Subdivider, the escrow funds shall be immediately paid over to the City without further action on the part of the City for use in remediation or completion of the specified improvements.
- C. The surety method of financial guarantee noted in Subsection A may be established as bonds that utilize as surety a corporation duly authorized to transact surety business in the state of Arizona and acceptable to the City of Peoria. The face amount of the bonds shall be at least equal to the cost of construction, installation and Dedication required as determined by the City Engineer. The bonds shall establish the City as beneficiary, shall be continuous in form, and shall be conditioned that the total aggregate liability of the surety for all claims shall be limited to the face amount of the bond, irrespective of the number of years the bond is in force.
- D. The Certificate of Occupancy Hold Agreement noted in Subsection A may be established when in the determination of the City Engineer the value of Building occupancy, together with any other guarantee, shall be at least equal to the cost of construction, installation, Dedication required, or other requirements as determined by the City Engineer.

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- E. The City shall release the performance guarantees established by the Subdivider only upon satisfactory performance and acceptance of the work.
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