



MEMORANDUM

To: City of Seguin Mayor and Council

From: Andy Quittner, City Attorney *AQ*

Date: May 1, 2014

Re: Ordinance adding surety requirements for public improvements to be built in new subdivisions

Before the Council is an Ordinance to add a new subsection to the City's Master Subdivision Ordinance. This subsection will set out the requirements for providing financial security to guarantee that a developer will satisfactorily construct the public improvements that are promised when a particular subdivision plat is filed.

Under this ordinance, if a developer chooses (and most will) not to construct all of the improvements up front, then the developer will need to provide 115% of the agreed estimated cost of the improvement as security – either in cash, a letter of credit, or a bond.

Upon acceptance of a partial completion of a set of public improvements, the Ordinance will allow for partial release of security. A partial release allows for some balance between the City's needs and those of the developer.

City staff recommends that this Ordinance be adopted.