

## Appendix C: Bond Template

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### SUBDIVISION IMPROVEMENT PERFORMANCE BOND FORM

ATTACHED IS A FORM OF SUBDIVISION IMPROVEMENT PERFORMANCE BOND (WITH INSTRUCTIONS FOR COMPLETION) TO BE FOLLOWED WHEN SUBMITTING A BOND TO THE CITY OF CHAMPAIGN UNDER SECTION 31-32 OF THE CHAMPAIGN MUNICIPAL CODE, 1985, AS AMENDED. THIS IS THE ACCEPTABLE FORM. THIS FORM HAS BEEN REVIEWED AND APPROVED BY THE CITY ATTORNEY. FOLLOWING THIS FORM WILL EXPEDITE BOND REVIEW REQUIRED UNDER THE CITY'S SUBDIVISION REGULATIONS. PLEASE VERIFY WITH THE LEGAL DEPARTMENT (351-4471) THAT YOU HAVE THE MOST RECENT FORM PRIOR TO EXECUTION AND SUBMITTAL.

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### INSTRUCTIONS FOR PREPARING SUBDIVISION IMPROVEMENT PERFORMANCE BOND

Prepare the Subdivision Improvement Performance Bond by inserting information as indicated by the blank spaces on the Subdivision Improvement Performance Bond and in accordance with the following instructions:

- (A) Insert the official name of the subdivision as it appears within the Owner's Certificate. The name of the subdivision as it appears within the Owner's Certificate is the name to be used in the performance bond. Other names may appear on various other plat documents or correspondence. These other names should be disregarded. An example of language contained within an Owner's Certificate designating the official name of subdivision is as follows:
- “ . . . said subdivision to be known as Lot 3 in Market Street Industrial Park, an Addition to the City of Champaign in Champaign County, Illinois.”
- (In this example, the underlined language would be inserted in space [A].)
- (B) Insert the name of the person(s) or entity (e.g. corporation, partnership, Trust) to be obligated to perform under the bond. If this is not the same as the name of the person(s) or entity owning the platted area, contact the Legal Department (351-4471) before inserting the name.
- (C) Insert the amount of the bond in verbal form, for example: “Nine Thousand Seven Hundred Sixteen and 85/100”. “The subdivision improvement performance bond shall be for the sum of one hundred percent (100%) of the estimated cost of construction as determined by the subdivider's engineer and approved by the City Engineer.” If all improvements have been accepted, fill in “not applicable”. (Section 31-35(a) of the Champaign Municipal Code.) Questions regarding the amount of the Subdivision Improvement Performance Bond should be directed to the Engineering Division (351-4466).
- (D) Insert same amount as in (C) in numerical form, for example: \$9,716.85.
- (E) Insert the date which is two (2) years from the date of City Council approval of the final plat. Questions regarding this date should be directed to the Legal Department (351-4471). If all improvements have been accepted, fill in “not applicable”.
- (F) Same as (E).
- (G) Same as (A).
- (H) Same as (E) and (F).
- (I) Insert the date appearing on the City Engineer's written approval of plans and specifications. See Section 31-28(g) of the Champaign Municipal Code. Questions regarding this date should be directed to the Engineering Division (351-4466).
- (J) Same as (I).
- (K) Insert a complete, accurate list of the improvements to be covered by the Subdivision Improvement Performance Bond. Questions regarding which improvements are to be covered by the Subdivision Improvement Performance Bond should be directed to the Engineering Division (351-4466).
- (L) Insert in verbal form fifteen percent (15%) of the total estimated cost of construction of all the public improvements regardless of whether construction was completed prior to

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posting the bond, for example: “Four Hundred Five Dollars”. (Section 31-35(d) of the Champaign Municipal Code).

- (M) Insert the same amount as in (L) in numerical form, for example: “\$405.00”.
- (N) Insert the date on which the Principal’s guarantee would end. This date is determined by either of two (2) methods:
- (1) If all subdivision improvements are to be accepted by the City prior to recording the final plat, then insert the date which is one (1) year from the date of written acceptance by the City Engineer of all improvements preceded by the word “on”. Questions about this date should be directed to the Engineering Division (351-4466).
  - (2) If the Subdivision Improvement Performance Bond is to be submitted prior to acceptance of all subdivision improvements, then insert the following phrase: “The day one (1) year after written acceptance by the City Engineer of said public improvements required to be constructed by the Principal for this subdivision.

If you have questions, contact the Legal Department (351-4471) before inserting a date.

- (O) Same as (N).
- (P) Insert a complete, accurate description of the security for the Subdivision Improvement Performance Bond. See Section 31-38 of the Champaign Municipal Code for a list of allowable security devices. Examples of language which would be inserted are as follows: “Irrevocable Letter of Credit No. 301, dated July 6, 1982, established by the Commercial National Bank of Peoria, Illinois”; “cash deposited with the City of Champaign Performance Bond Account, as evidenced by Receipt No. 43707”. Questions as to acceptable security devices should be directed to the Legal Department (351-4471).
- (Q) Add proper form of execution and acknowledgement. For example: If (B) above is an individual, then that individual should sign the bond and the signature should be properly acknowledged by a Notary. If (B) above is a general partnership, then all partners should sign with proper acknowledgement. If (B) above is a corporation, then the President should sign and the Secretary attest, with seal and proper acknowledgment. If (B) is a trust, the Trustee or Trust Officer should sign as Trustee with proper acknowledgement. Questions regarding the form of execution should be directed to the Legal Department (351-4471).

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SUBDIVISION IMPROVEMENT PERFORMANCE BOND

FOR

\_\_\_\_\_ (A) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I. KNOW ALL PERSONS BY THESE PRESENTS that \_\_\_\_\_ (B) \_\_\_\_\_, hereinafter called "Principal", is held and firmly bound unto the City of Champaign, Illinois, hereinafter called "City", in the penal sum of \_\_\_\_\_ (C) \_\_\_\_\_ Dollars (\$\_\_\_\_ (D) \_\_\_\_\_), lawful money of the United States of America, for the payment of which well and truly to be made to the City, the principal firmly binds itself, its successors and assigns, jointly and severally, by these presents.

NOW, THEREFORE, unless the consideration set out below is satisfied, the Principal shall pay to the City on \_\_\_\_\_ (E) \_\_\_\_\_ the full penal sum above written. The condition is that prior to \_\_\_\_\_ (F) \_\_\_\_\_, the Principal shall complete or cause to be completed and maintained free from defects in accordance with approved plans and specifications and in the improvements required or regulated by Chapter 31, Subdivisions, of the Champaign Municipal Code, 1985, as amended, hereinafter called "Regulations", as applicable to

\_\_\_\_\_ (G) \_\_\_\_\_

hereinafter called "Subdivision". This condition shall be deemed satisfied only upon the occurrence of each of the following events:

- (1) The Principal has completed or caused to be completed prior to \_\_\_\_\_ (H) \_\_\_\_\_ the construction of public improvements required or regulated by the Regulations, as applicable to the Subdivision in accordance with the engineering plans and specification approved in writing by the City Engineer of the City on \_\_\_\_\_ (I) \_\_\_\_\_ (the completion of construction includes completion of unconstructed portions of said public improvements and/or removal and replacement of deficient sections thereof and/or removal and replacement of damaged sections thereof);
- (2) The proper completion of all of such construction has been evidenced by the written acceptance of the improvements by the City Engineer of the City.

The public improvements required or regulated by the Regulations as applicable to the Subdivision, as referred to herein, shall be deemed to be each item of all of those improvements or other acts required by the Regulations and each item of all improvements as shown on the approved plans and specifications approved in writing by the City Engineer of the City on \_\_\_\_\_ (J) \_\_\_\_\_, except any such improvements as shall have been expressly and specifically waived by resolution or ordinance of the City Council of the City.

The public improvements include, without limitation, the following:

\_\_\_\_\_ (K) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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II. Further, the Principal is held and firmly bound unto the City of Champaign, Illinois, in the sum of \_\_\_\_\_(L)\_\_\_\_\_ Dollars (\$\_\_\_\_(M)\_\_\_\_), lawful money of the United States of America, for the payment of which well and truly to be made to the City, the Principal firmly binds itself, its successors and assigns, jointly and severally, by these presents.

NOW, THEREFORE, unless the condition set out below is satisfied, the Principal shall pay to the City on \_\_\_\_\_(N)\_\_\_\_\_ the full penal sum above written. The condition is that the Principal shall maintain said public improvements free from defects appearing within one (1) year \_\_\_\_\_(O)\_\_\_\_\_. A defect is:

“(c) A defect which must be repaired is any:

- (i) failure of a subdivision improvement to operate in conformance with this Code during the maintenance period; or
- (ii) the appearance of any defect in a subdivision improvement which is discovered during an inspection of the improvement made by City personnel within a reasonable period of time after the Owner’s request for the release of the maintenance bond or at any time prior to that inspection; or
- (iii) the failure to design and construct a subdivision improvement required by these Regulations and not previously waived, the need for which is discovered prior to the end of the maintenance period.

‘Free of defects’ means that all subdivision improvements are functioning in accordance with the purpose for which they were designed and that the improvements have not deteriorated other than to the extent of normal wear. Non-designed cracks on pavement or sidewalk may not be considered normal wear.”

The Principal may be released from these obligations in whole or in part only by issuance of a certificate releasing the said Bond by the City Engineer for the City. Said release shall be effective only in the amount of said release. These obligations are secured by

\_\_\_\_\_  
\_\_\_\_\_(P)\_\_\_\_\_  
\_\_\_\_\_.

IN WITNESS WHEREOF, the Principal has caused this Bond to be executed and dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Q)  
\_\_\_\_\_

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

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### LETTER OF CREDIT AS SECURITY

IRREVOCABLE LETTER OF CREDIT MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. ATTACHED IS A FORM OF IRREVOCABLE LETTER OF CREDIT (WITH INSTRUCTIONS FOR COMPLETION) TO BE FOLLOWED WHEN SUBMITTING A LETTER OF CREDIT AS SECURITY IN CONNECTION WITH A SUBDIVISION IMPROVEMENT PERFORMANCE BOND. THIS IS THE ACCEPTABLE FORM. THIS FORM HAS BEEN REVIEWED AND APPROVED BY THE CITY ATTORNEY. FOLLOWING THIS FORM WILL EXPEDITE BOND REVIEW REQUIRED UNDER THE CITY'S SUBDIVISION REGULATION. PLEASE VERIFY WITH THE LEGAL DEPARTMENT (351-4471) THAT YOU HAVE THE MOST RECENT FORM PRIOR TO EXECUTION AND SUBMITTAL.

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### INSTRUCTIONS FOR COMPLETING THE FORM OF IRREVOCABLE LETTER OF CREDIT TO BE USED AS SECURITY WITH A SUBDIVISION IMPROVEMENT PERFORMANCE BOND

Fill in the blanks in accordance with the following:

- (1) Insert the name of the person(s) or entity (e.g. corporation, partnership, Trust) to be obligated to perform under the bond, i.e. the same as (B) on the Maintenance Performance Bond form.
- (2) Insert the amount of the letter of credit in verbal and numerical form, for example: "Nine Thousand Seven Hundred Sixteen and 85/100 Dollars (\$9,716.85)". This is the same as (C) and (D) on the Maintenance Performance Bond form.
- (3) Insert the number of the Letter of Credit (to be supplied by bank).
- (4) Insert date of the Letter of Credit (to be supplied by bank).
- (5) Insert the date on which the guarantee of maintenance would end. This is the same as (N) on the Subdivision Improvement Performance Bond form.
- (6) Insert the date which is six (6) months after (5).
- (7) Insert same as (5).
- (8) Insert same as (1).
- (9) Insert a complete, accurate list of the improvements to be covered by the Subdivision Improvement Bond, i.e. the same as (K) on the Subdivision Improvement Performance Bond form.
- (10) Insert the official name of the subdivision as it appears within the Owner's Certificate, i.e. the same as (A) on the Subdivision Improvement Performance Bond form.
- (11) Insert same as (6).
- (12) Insert same as (10).
- (13) Insert name of bank issuing Letter of Credit.
- (14) Signature of bank officer authorized to sign Letter of Credit.
- (15) Title of bank officer authorized to sign Letter of Credit.

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MUST BE TYPED ON BANK STATIONERY

IRREVOCABLE LETTER OF CREDIT

(DATE)

City of Champaign  
Champaign City Building  
102 North Neil Street  
Champaign, IL 61820

Gentlemen:

We hereby establish our Irrevocable Letter of Credit in your favor at the request of and for the account of \_\_\_\_\_(1)\_\_\_\_\_ up to an aggregate amount of \_\_\_\_\_(2)\_\_\_\_\_ Dollars (\$\_\_\_\_\_ ) available by your drafts drawn at sight on us.

Any such drafts must state that they are drawn under Irrevocable Letter of Credit No. \_\_\_\_\_(3)\_\_\_\_\_ dated \_\_\_\_\_(4)\_\_\_\_\_. Any such drafts must be drawn and negotiated upon the signature of the Director of Public Works of the City of Champaign, and countersigned by the Clerk of the City of Champaign, but not before \_\_\_\_\_(5)\_\_\_\_\_, and not later than \_\_\_\_\_(6)\_\_\_\_\_. Any such drafts may be presented after \_\_\_\_\_(7)\_\_\_\_\_, only in the event that the City Engineer has issued no certificate releasing a certain bond by and between \_\_\_\_\_(8)\_\_\_\_\_ and the City of Champaign, Illinois, concerning the construction and repair of any defects in \_\_\_\_\_(9)\_\_\_\_\_ in a subdivision known as \_\_\_\_\_(10)\_\_\_\_\_, in accordance with the provisions of all applicable laws, ordinances, codes and regulations, including but not limited to Chapter 31 of the Champaign Municipal Code, 1985, as amended. In the event such a certificate is issued, this Letter of Credit shall be null and void. Certification by the City Engineer that such certificate has, or has not, been issued shall be conclusive evidence of such fact. The City Engineer of the City of Champaign shall release the said bond upon satisfaction of the conditions of the bond, all in accordance with Chapter 31 of the Champaign Municipal Code, 1985, as amended.

This Irrevocable Letter of Credit shall expire on \_\_\_\_\_(11)\_\_\_\_\_; provided, however, the undersigned shall notify the City Engineer for the City of Champaign, by certified mail, return receipt requested, at least forty-five (45) days prior to said expiration date that said Letter of Credit is about to expire. In no event shall this Irrevocable Letter of Credit or the obligations contained herein expire except upon said prior written notice, it being expressly agreed by the undersigned that the above expiration date shall be extended as shall be required to comply with this notice provision.

The undersigned further agrees that this Irrevocable Letter of Credit shall remain in full force and effect and pertain to any and all amendments or modifications which may be made from time to time to the plans, specification or agreements for \_\_\_\_\_(12)\_\_\_\_\_ without notice from said City of such amendments or modifications.

The undersigned agrees and hereby stipulates that all acts, requirements and other preconditions for the issuance of this Irrevocable Letter of Credit will be duly honored upon presentation. If, within ten (10) days of the date of any draft drawn under and in compliance with the terms of this Irrevocable Letter of Credit is presented, we fail to honor same, we agree to pay all attorney fees, court costs and other expenses incurred by the City of Champaign in enforcing the terms of this Letter of Credit.

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Sincerely,

(13)

By: \_\_\_\_\_ (14) \_\_\_\_\_

Its: \_\_\_\_\_ (15) \_\_\_\_\_

ESCROW RECEIPT AGREEMENT AS SECURITY

IRREVOCABLE ESCROW RECEIPT AGREEMENT MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. ATTACHED IS A FORM OF IRREVOCABLE ESCROW RECEIPT AGREEMENT (WITH INSTRUCTIONS FOR COMPLETION) TO BE FOLLOWED WHEN SUBMITTING AN ESCROW RECEIPT AGREEMENT AS SECURITY IN CONNECTION WITH A SUBDIVISION IMPROVEMENT PERFORMANCE BOND. THIS IS THE ACCEPTABLE FORM. THIS FORM HAS BEEN REVIEWED AND APPROVED BY THE CITY ATTORNEY. FOLLOWING THIS FORM WILL EXPEDITE BOND REVIEW REQUIRED UNDER THE CITY'S SUBDIVISION REGULATIONS. PLEASE VERIFY WITH THE LEGAL DEPARTMENT (351-4471) THAT YOU HAVE THE MOST RECENT FORM PRIOR TO SUBMITTAL.

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### INSTRUCTIONS FOR COMPLETING THE FORM OF IRREVOCABLE ESCROW RECEIPT AGREEMENT TO BE USED AS SECURITY WITH SUBDIVISION IMPROVEMENT PERFORMANCE BOND

Fill in the blanks in accordance with the following:

- (1) Insert the name of the bank or other institution which is acting as escrow agent.
- (2) Insert the name of the person(s) or entity (e.g. corporation, partnership, Trust) to be obligated to perform under the bond, i.e. the same as (B) on Subdivision Improvement Performance Bond form.
- (3) Insert date of the escrow receipt agreement (to be supplied by the bank or other institution acting as escrow agent).
- (4) Insert full address of the escrow agent (to be supplied by the bank or other institution acting as escrow agent).
- (5) Insert the number and/or name of the account (to be supplied by the bank or other institution acting as escrow agent).
- (6) Insert the amount covered by the Escrow Receipt Agreement in verbal and numerical form, for example: "Nine Thousand Seven Hundred Sixteen and 85/100 Dollars (\$9,716.85)". This is the same as (C) and (D) on the Subdivision Improvement Performance Bond form, unless that is not applicable; in which case, insert (L) and (M) from the Subdivision Improvement Performance Bond.
- (7) Insert a complete, accurate list of the improvements to be covered by the Subdivision Improvement Performance bond, i.e. the same as (K) on the Subdivision Improvement Performance Bond form.
- (8) Insert the official name of the subdivision as it appears within the Owner's Certificate, i.e. the same as (A) on the Subdivision Improvement Performance Bond form.
- (9) Insert same as (6).
- (10) Insert same as (3).
- (11) Insert the date which is two (2) years from the date of City Council approval of the final plat, i.e. the same as (E) on the Subdivision Improvement Performance Bond form, unless that is not applicable; in which case insert the same date as (O) from the Subdivision Improvement Performance Bond.
- (12) Insert the date which is six (6) months after (11).
- (13) Insert same as (11).
- (14) Insert same as (12).

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IRREVOCABLE ESCROW RECEIPT AGREEMENT

\_\_\_\_\_ (1) \_\_\_\_\_ (hereinafter called "Escrow Agent"), by its undersigned duly authorized Officers and Agents, acknowledges, agrees and certifies to the undersigned subdivider, \_\_\_\_\_ (2) \_\_\_\_\_ (hereinafter called "Subdivider"), and to the City of Champaign, Illinois, as third-party beneficiary of this Agreement, effective \_\_\_\_\_ (3) \_\_\_\_\_, as follows:

1. That it maintains a regular office for the transaction of its business at \_\_\_\_\_ (4) \_\_\_\_\_.

2. That it has received, and now holds in an account designated as \_\_\_\_\_ (5) \_\_\_\_\_, in the name of the Subdivider, the sum of \_\_\_\_\_ (6) \_\_\_\_\_ (\$ \_\_\_\_\_), which secures and is so designated as security for the Subdivision Improvement Performance Bond given to the City of Champaign by the Subdivider.

3. That this Agreement shall be irrevocable by either the Escrow Agent or the Subdivider or their successors in interest to such funds, account or duties referred to herein.

4. That said funds so held and the execution of this Irrevocable Escrow Receipt Agreement by the undersigned parties is for the purpose of providing security upon the Subdivider's Subdivision Improvement Performance Bond to the City of Champaign for the completion of public improvement, including without limitation, \_\_\_\_\_ (7) \_\_\_\_\_

\_\_\_\_\_ (hereinafter called "Improvements"), in \_\_\_\_\_ (8) \_\_\_\_\_ (hereinafter called "Subdivision"), and said sums shall be held and disbursed in accordance with this Irrevocable Escrow Receipt Agreement and the provisions of all applicable laws, ordinances, codes and regulations of the City of Champaign, Illinois, as follows:

A. That said escrow account amount shall be held by the undersigned Escrow Agent conditioned upon the satisfactory construction and maintenance of the Improvements as set forth in the approved final plat of the "subdivision, and in accordance with the approved plans and specifications on file with the Engineering Division of the City of Champaign as required by the Subdivision Improvement Performance Bond.

B. The City of Champaign is authorized to draw upon the aforementioned account any sum up to a total cumulative amount of \_\_\_\_\_ (9) \_\_\_\_\_ (\$ \_\_\_\_\_) by draft or withdrawal notice. Any such drafts or withdrawal notices must state that they are drawn under the Irrevocable Escrow Receipt Agreement dated \_\_\_\_\_ (10) \_\_\_\_\_. Any such drafts or withdrawal notices must be drawn and negotiated upon the signature of the City Engineer of the City of Champaign, and countersigned by the City Clerk of the City of Champaign, but not before \_\_\_\_\_ (11) \_\_\_\_\_, and not later than \_\_\_\_\_ (12) \_\_\_\_\_. Any such drafts may be presented after \_\_\_\_\_ (13) \_\_\_\_\_, only in the event that the City Engineer has issued no certificate releasing all of the certain bond by and between the Subdivider and the City of Champaign, Illinois, concerning the installation and maintenance of the Improvements in the Subdivision, in accordance with the provisions of all applicable laws, ordinances, codes and regulations, including but not limited to Chapter 31 of the Champaign Municipal Code, 1985, as amended. In the event such a certificate is issued, this Irrevocable Escrow Receipt Agreement shall be null and void. Certification by the

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City Engineer of the City of Champaign that such a certificate has, or has not, been issued shall be conclusive evidence of such fact. The City Engineer shall release the said bond upon satisfaction of all of the conditions of the bond, all in accordance with the Champaign Municipal Code.

This Irrevocable Escrow Receipt Agreement shall expire on \_\_\_\_\_ (14) \_\_\_\_\_; provided, however, the undersigned shall notify the City Clerk of the City of Champaign, by certified mail, return receipt requested, at least forty-five (45) days prior to said expiration date that said Agreement is about to expire. In no event shall this Irrevocable Escrow Receipt Agreement or the obligations contained herein expire except upon said prior written notice, it being expressly agreed by the undersigned that the above expiration date shall be extended as shall be required to comply with this notice provision.

The undersigned further agrees that this Irrevocable Escrow Receipt Agreement shall remain in full force and effect and pertain to any and all amendments or modifications which may be made from time to time to the plans, specifications or agreements for the Subdivision, without notice from said City of such amendments or modifications.

The undersigned agrees and stipulates that all acts, requirements, and other preconditions for the issuance of this Irrevocable Escrow Receipt Agreement have been completed.

We hereby agree with the drawers, endorsers, and bonafide holders that all drafts or notices of withdrawal drawn under and in compliance with the terms of this Irrevocable Escrow Receipt Agreement will be duly honored upon presentation. If, within ten (10) days of the date of any draft or notice of withdrawal drawn under and in compliance with the terms of this Irrevocable Escrow Receipt Agreement is presented, we fail to honor same, we agree to pay all attorney fees, court costs and other expenses incurred by the City of Champaign in enforcing the terms of this Agreement.

C. Upon presentation by the Subdivider to the Escrow Agent of a certificate issued by the City Engineer releasing the whole or a part of said bond for the Improvements in the Subdivision, the aforesaid funds or part thereof certified as released by said certificate and held in escrow by said Escrow Agent may be released in full to the Subdivider.

5. That the subdivider shall not draw or attempt to draw upon the aforementioned account and the Escrow Agent shall not disburse funds from such account except as set forth herein, unless the said City releases that amount of aforementioned bond as provided herein.

ESCROW AGENT

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

ATTEST: \_\_\_\_\_  
Its: \_\_\_\_\_

SUBDIVIDER

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

ATTEST: \_\_\_\_\_  
Its: \_\_\_\_\_

CORPORATE SURETY AS SECURITY

CORPORATE SURETY LICENSED AND AUTHORIZED TO DO BUSINESS IN THE STATE OF ILLINOIS AS A SURETY MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. THE CITY'S LEGAL DEPARTMENT WILL REVIEW THE FORM OF CORPORATE SURETY TO DETERMINE WHETHER IT IS ACCEPTABLE. IF THE SUBDIVIDER DESIRES TO USE CORPORATE SURETY AS SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND, PLEASE CONTACT THE LEGAL DEPARTMENT (351-4471) AT THE EARLIEST POSSIBLE MOMENT SO THAT REVIEW MAY BE EXPEDITED.

CERTIFICATES OF DEPOSIT AS SECURITY

CERTIFICATE(S) OF DEPOSIT PAYABLE TO THE CITY MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. WHEN USED AS SECURITY, THE C.D.(S) SHOULD BE PAYABLE TO THE CITY ONLY AND PROVIDE SUFFICIENT FUNDS TO SECURE THE AMOUNT OF THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. THE C.D.(S) SHALL BE PRESENTED FOR DEPOSIT WITH THE CITY CLERK.

SAVINGS BONDS AS SECURITY

UNITED STATES GOVERNMENT SAVINGS BONDS PAYABLE TO THE CITY MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. WHEN USED AS SECURITY, THE SAVINGS BOND SHOULD BE PAYABLE TO THE CITY ONLY AND PROVIDE SUFFICIENT FUNDS TO SECURE THE AMOUNT OF THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. THE SAVINGS BONDS SHALL BE PRESENTED FOR DEPOSIT WITH THE CITY CLERK.

DEED IN TRUST OR ESCROW AS SECURITY

DEED IN TRUST OR ESCROW CONVEYING REAL ESTATE TO THE CITY MAY BE AN ACCEPTABLE METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND. SUCH REAL ESTATE SHALL BE APPRAISED AT THE SUBDIVIDER'S EXPENSE BY AN INDEPENDENT APPRAISER SELECTED BY THE CITY. IF THE SUBDIVIDER DESIRES TO USE THIS METHOD OF SECURITY IN CONNECTION WITH THE SUBDIVISION IMPROVEMENT PERFORMANCE BOND, PLEASE CONTACT THE LEGAL DEPARTMENT (351-4471) AT THE EARLIEST POSSIBLE MOMENT SO THAT REVIEW MAY BE EXPEDITED.



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**DATE:**

**TO:**

**SUBJECT:** Subdivision Performance Bond - Bond Reduction

**SUBDIVISION:**

In accordance with Section \_\_\_\_\_ through \_\_\_\_\_ of the Municipal Code and the Chapter \_\_\_\_\_ of the Manual of Practice, as amended, additional improvements are approved and the Subdivision Performance Bond is hereby reduced:

Original Bond Amount:    \$

Type of Security:

BOND REDUCTION AMOUNT	NEW BOND AMOUNT	DATE
1.		
2.		
3.		
4.		

The maintenance period begins \_\_\_\_\_ and extends for one year from this date.

The current Letter of Credit No. \_\_\_\_\_ issued by \_\_\_\_\_ expires and will need to be extended through \_\_\_\_\_. Alternatively, a replacement letter of credit (written in the amount of \$\_\_\_\_\_) may be exchanged for the current letter of credit.

The security for this bond is also considered reduced by the total of the bond reduction amounts.

This document is not considered valid if bond reduction amounts are not filled in with an amount or the words "not applicable" and if not signed in blue ink.

If you have any questions concerning the bond, please call.

Sincerely,

W. Roland White  
Civil Engineer II

Steven S. Wegman  
City Engineer

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**DATE:** \_\_\_\_\_

**TO:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SUBJECT:** Subdivision Performance Bond - Release

**SUBDIVISION:**\_\_\_\_\_

In accordance with Section 31-39.1 of the Municipal Code, as amended, the Subdivision Performance Bond is hereby released. Enclosed please find the original of the Subdivision Performance Bond with Security for the above subject subdivision in the amount of \$\_\_\_\_\_.

If you have any questions concerning the Bond please call.

Sincerely,

W. Roland White  
Civil Engineer II

Steven S. Wegman  
City Engineer

WRW/jac

Attachment