



Date of Council Meeting: July 26, 2016

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Performance guarantee for public improvements at Crescent Place – Phase 1, 2 & 3 (TLPF-2014-0025).

Staff Contact: Renée LaFollette, Director, Department of Public Works and Capital Projects

Council Action Requested: Reduce the Corporate Surety Bond from Ironshore Indemnity, Inc. in the current amount of \$1,607,532 to \$875,000. Section 6.04 of the Leesburg Subdivision and Land Development Ordinance requires all performance agreements and guarantees over \$200,000 for land development projects to be approved by the Town Council.

Staff Recommendation: I recommend approval of the Corporate Surety Bond reduction to \$875,000 for the development project performance guarantee for Crescent Place – Phase 1, 2 & 3.

Commission Recommendation: Not applicable.

Fiscal Impact: None.

Executive Summary: Section 6.04 of the Leesburg Subdivision and Land Development Ordinance requires all performance agreements and guarantees over \$200,000 for land development projects to be approved by the Town Council. As such, the Crescent Place – Phase 1, 2 & 3 project is ready for Town Council approval to reduce the performance guarantee for public improvements from \$1,607,532 to \$875,000.

Background: Leesburg Acquisition Partners, LLC, the developer of Crescent Place – Phase 1, 2 & 3, has completed a large amount of the public improvements and has requested a reduction of the performance guarantee. A previous bond reduction from \$4,999,000 to \$1,607,532 was approved by the Town Council on February 23, 2016 (Resolution No. 2016-021).

Attachments: Resolution

PRESENTED: July 26, 2016

RESOLUTION NO. 2016-

ADOPTED: July 26, 2016

A RESOLUTION: MAKING A REDUCTION OF THE PERFORMANCE GUARANTEE FOR PUBLIC IMPROVEMENTS AT CRESCENT PLACE – PHASE 1, 2 & 3 (TLPF-2014-0025)

WHEREAS, the Director of Public Works and Capital Projects has reviewed the improvements installed to date for Crescent Place – Phase 1, 2 & 3 and certified that the value of work performed is \$4,124,999; and

WHEREAS, a Corporate Surety Bond from Ironshore Indemnity Inc. in the current amount of \$1,607,532 was provided by the developer and approved by the Council to guarantee installation of public improvements Crescent Place – Phase 1, 2 & 3; and

WHEREAS, the Director of Public Works and Capital Projects recommends reducing the performance guarantee for public improvements installed at Crescent Place – Phase 1, 2 & 3.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

SECTION I. The Corporate Surety Bond from Ironshore Indemnity Inc. for Crescent Place – Phase 1, 2 & 3 in the current amount of \$1,607,532 is reduced to \$875,000.

SECTION II. The Town Manager shall notify the developers that liability for the Corporate Surety Bond has been reduced as outlined in Section I of this resolution and that this reduction does not constitute acceptance of public improvements by the Town or relieve the developer of responsibilities outlined in the contract for public improvements at Crescent Place – Phase 1, 2 & 3.

PASSED the 23rd day of February, 2016.

David S. Butler, Mayor
Town of Leesburg

ATTEST:

Clerk of Council