**19.8.6 Assurances for Completion of**

**Improvements**

The applicant shall post a performance guarantee in the form of a cash bond or irrevocable line of credit at the time of development approval for all improvements, project amenities (i.e. fencing, trails, playground equipment, clubhouse or other buildings owned in common and required project landscaping), and any other items specifically included in a Development Agreement between the City and the applicant for development approval. The estimated amount shall be reviewed by the City Engineer and shall be sufficient to assure to the municipality the satisfactory construction, installation, and dedication of the uncompleted portion of required improvements and completion of project landscaping. The amount of the guarantee shall be equal to one hundred and ten (110) percent of the estimated cost of the required improvements, amenities and project landscaping as determined by the City Engineer. (1-23-08)

The posting of guarantees is in lieu of actual construction and are therefore established for the benefit of and to insure to the public at large. As such, the guarantee shall not to be used for satisfying contractor or mechanics liens or other unrelated obligations. The performance guarantee shall comply with all statutory requirements and shall be satisfactory to the City Attorney as to form, sufficiency, and manner of execution as set forth by the City Attorney.

The period within which required improvements must be completed shall be one (1) year unless otherwise specified by the City Council upon development approval and shall be incorporated in the guarantee. The City Council may, given a valid reason, extend the completion date set forth in such guarantee for a maximum period of one additional year. The City Council may at any time during the period of such guarantee accept a substitution of principal or sureties.

All projects that require a performance guarantee in accordance with this ordinance are subject to payment of a public works inspection fee for the inspection and approval of the required improvements consistent with Chapter 19.27 herein. (9-1-04)

Under some circumstances, the City may authorize the actual construction of required public improvements in-lieu of posting a performance guarantee as outlined in Title 20.30.3 of Payson City Code. Once a bonding option is selected, the applicant is not permitted to move from an in-lieu guarantee to a traditional guarantee or vice versa. The applicant and the City acknowledge that the bonding option chosen will remain the same for the duration of the project.

**19.9.10 Lots to be Improved Prior to Issuance of Permit**

No building permit shall be issued for the construction of a dwelling or commercial or industrial structure that is to be located on a lot or parcel outside of an approved subdivision or large-scale development unless the lot or parcel is fully improved. If an extension of time is given to put in any of the improvements, the applicant shall post a performance guarantee in the form of a cash bond or an irrevocable line of credit. The performance guarantee shall be in an amount equal to one hundred and ten (110) percent of the cost estimate approved by the City Engineer. (12­6-00)