

PERFORMANCE GUARANTEE AGREEMENT

THIS AGREEMENT entered into this date, \_\_\_\_\_, by and between the following parties: Columbia County Planning Commission, hereinafter referred to as "COMMISSION", a local agency established by the County of Columbia and existing under the laws of the Commonwealth of Pennsylvania; and \_\_\_\_\_, an (individual/partnership/corporation), organized and existing under the laws of the Commonwealth of Pennsylvania), hereinafter referred to as "\_\_\_\_\_".

WITNESSETH:

WHEREAS, Commission has given \_\_\_\_\_ pending final subdivision/land development approval for a project located at \_\_\_\_\_, and

WHEREAS, the Pennsylvania Municipalities Planning Code and the Columbia County Subdivision and Land Development Ordinance require a Performance guarantee; and

WHEREAS, Commission and \_\_\_\_\_ have agreed to enter into the Performance Guarantee as set forth in this Agreement.

NOW, THEREFORE, intending to be legally bound and in consideration of the mutual promises exchanged in this Agreement and in accordance with the pending final subdivision/land development approval granted to \_\_\_\_\_ by the Commission, the parties hereto agree to the following:

1. \_\_\_\_\_, their heirs, successors or assigns, shall install improvements as set forth in the plan dated \_\_\_\_\_, which plan is incorporated herein by reference.

2. \_\_\_\_\_, hereinafter referred to as "Bank", will issue to Commission an Irrevocable Letter of Credit in the amount of \$\_\_\_\_\_ Dollars (\_\_\_\_\_) for the account of

\_\_\_\_\_ which sum will be reserved to guarantee the completion of the improvements required of

\_\_\_\_\_ in accordance with said plan, said improvements to be completed on or before \_\_\_\_\_. Monies from said line of credit may be released by the Bank only upon written authorization from the Director of the Columbia County Planning Commission. The Letter of Credit will be in a form acceptable to the Columbia County Planning Commission.

3. Upon request by Commission, the Bank shall release the monies so requested to the Commission. It is specifically agreed and understood that the Bank does not need, nor shall the Bank require the permission, authorization or approval of \_\_\_\_\_ so to release the monies so requested.

4. The Commission may request use of said funds only in the event that

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fails to install complete said improvements at a time or in a manner as required by accepted engineering standards. The Commission shall make the requests for said funds (5) five days after issuing an Order under the signature of the Director of the Columbia County Planning Commission to install said improvements.

5. Said line of credit may be reduced by the Bank only upon written authorization by the Director of the Columbia County Planning Commission.

6. This Agreement shall become effective upon written approval of the written Letter of Credit by the Director of the Columbia County Planning Commission. Said Irrevocable Letter of Credit shall remain in full force and effect until released by the Commission, and the parties hereto agree that (15) fifteen percent of the amount of said Letter of Credit may be retained, at the discretion of the Commission, until (18) eighteen months following the deadline date specified in Paragraph 2 hereinabove for completion of the improvements, in order to secure the satisfactory and workmanlike completion of said improvements.

**ATTEST:**

**COLUMBIA COUNTY PLANNING COMMISSION:**

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**ATTEST:**

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**DIRECTOR**

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**APPLICANT**

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**APPLICANT**