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|  | <b>Standard Operating Procedure</b><br><b>Planning and Building Department</b> | <b>SOP #:</b>                                    |
|   |  | <b>Revision #:</b> N/A                           |
|   |  | <b>Last Reviewed/Update Date:</b> March 11, 2020 |
| <b>Approval:</b> Sarah S. More, FAICP   |  | <b>Effective Date:</b> March 11, 2020            |
| <b>Subject:</b> Assurance Agreements  |  | <b>Page 1 of 6</b>                               |

## 1.0 Purpose

This document outlines the basic procedure in creating and processing assurance agreements and substitute assurance agreements and the procedure for release of assurances as defined in STC 18.69.070.

## 2.0 Revision History

This document was created on March 11, 2020, and has not been revised.

## 3.0 Persons Affected

Planning and Zoning staff, Public Works staff, and the public at large.

## 4.0 Administrative Policy


Applicants must use assurance agreement templates approved by the Town of Sahuarita Department of Law. Changes to the approved template will not be acceptable unless approved by the Department of Law.

## 5.0 Procedure

### 5.1 Assurance Agreement

An assurance agreement is required with a Final Plat per STC 18.69.060(I). State law supports this requirement. If an existing assurance agreement is in place, the applicant shall coordinate with staff on the required process. A typical process is as follows:

- A property owner submits a Final Plat application to the Planning and Zoning Division. A complete application package for a Final Plat includes a draft assurance agreement unless otherwise determined by the Town of


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Sahuarita, such as in cases in which all improvements have already been completed.

- In the case of an Assurance Agreement secured by a bond or letter of credit, the applicant shall submit a request to the Town to place a bond by providing a request in writing along with the cost estimate for the improvements. The amount of the bond and/or letter of credit is the total estimated cost of the improvements plus at least 15%.
- Assurance agreement templates can be found on the Planning and Zoning webpage or can be requested from Planning and Zoning staff.
- Planning and Zoning staff will route the proposed assurance agreement to the Public Works Department and the Department of Law for technical and legal review. Any comments or requests for corrections to the assurance agreement will be provided to the applicant with the plat review comments.
- The assurance agreement must be acceptable to the Town before the final plat will be scheduled for Town Council approval.
- Once all Town comments have been addressed, the applicant shall submit a signed assurance agreement with all required exhibits for execution by the Town.
- Town Council approval of the assurance agreement will occur concurrently with approval of the final plat.
- The Town Clerk will transmit the approved assurance agreement along with the final plat to the Pima County Recorder's office for recording.
- After recording, the applicant may request the recording sequence number from staff. The Town retains the originals.

## 5.2 Substitute Assurance Agreement


A substitute assurance agreement may be requested for a portion of lots affected by an existing assurance agreement, or may completely replace an existing assurance agreement. The most common reason for a request of a substitute assurance agreement is a change in ownership of some or all lots within a subdivision.

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- A property owner submits a written request along with fees to the Planning and Building Director to review a Substitute Assurance Agreement.
- The Planning and Building Director transmits the request to the Town Engineer.
- The Public Works Department and the Planning and Building Department review the request for completion and adherence. Written comments and/or recommendations are forwarded to the Planning and Building Director within 10 working days.
  - If corrections to the requested Substitute Assurance Agreement are required, the Planning and Building Director shall provide a list of required corrections to the property owner. The property owner is responsible for making the corrections and submitting a revised written request to the Planning and Building Director.
  - The revised request shall be forwarded to the Public Works Department and the Planning and Building Department for re-review. The revised substitute assurance should also be routed to Department of Law for legal review.
  - Written comments and/or recommendations shall be forwarded to the Planning and Building Director within 10 working days.
- The Planning and Building Director shall forward a written recommendation to the Town Manager for a final decision and signature.
- The fully-executed Substitute Assurance Agreement with all required exhibits shall be taken to the town clerk for recording. The Town retains the original.

### 5.3 Release of Assurances

- A property owner submits a request for Full Release of Assurances to the Planning & Zoning Division.
- Planning & Zoning staff will route the proposed Full Release of Assurances to the Fire Marshal and the Public Works Department for review. The Fire Marshal and Public Works Department will review the


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project for completion of all required items in the Development Agreement, Tentative Plat, Development Plan, Assurance Agreement, Final Release checklist items, and Private Improvement Agreement. Construction costs are verified and a fee reconciliation letter is sent to the Engineer of Record.

- If all required items are completed, the Public Works Department will recommend approval of the requested Full Release of Assurances. In the event that items are incomplete, the Full Release package will be sent to Planning & Zoning along with a correspondence indicating the missing items. The Engineer of Record will be copied on this correspondence.
- If all items are complete, the Full Release package, mylars, and recommendation memo will be send to the Town Engineer for approval.
- Improvement Plan mylars are filed by Public Works.
- The Full Release package will then be forwarded to Planning & Zoning for review and approval. If approved by Planning & Zoning, it will be forwarded to the Town Manager for approval.
- Following Town Manager approval, the Full Release package will be provided to the Town Clerk for recording. Copies of the recorded documents will be provided to Planning & Zoning, Town Engineer, and Town Clerk.
- The Full Release/Closeout Binder will be filed by the Public Works Department.
- Planning & Zoning will notify the applicant of the recording.

#### 5.4 Partial Release of Assurances

- A property owner submits a request for Partial Release of Assurances to the Public Works Department. A complete request includes the following:
  - Substantial completion letter from the Engineer of Record
  - Completed Partial Release Form from the Engineer of Record or the applicant
  - Inspection and recording fees

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- Discharge authorization from PDEQ, Sahuarita Wastewater, or Pima County Wastewater Management approval
  - Percent release memo and checklist
- Public Works staff inspects the requested lots. The Development Plan, Tentative Plat, Final Plat, and/or Development Agreement(s) are reviewed for assurance items.
- Planning & Zoning, Building Safety, and Public Works Divisions are notified with the first request for partial release for each subdivision and provided with an opportunity to comment. Department comments or concurrence are added to the file.
- If all issues are addressed, a memo recommending approval is provided to the Town Engineer.
- If approved by the Town Engineer, the approved partial release form is signed and notarized and a copy is filed. Signed documents are scanned and emailed to Public Works and the Engineer or Record.
- Notarized partial release form and Engineer of Record letter are sent to Town Clerk for recording.

## 6.0 Responsibilities

The Planning and Building Director shall have primary responsibility for ensuring the routing and processing of assurance agreements and releases of assurances.

## 7.0 References

- Sahuarita Town Code Chapter 18.69
- Final Plat Checklist
- Third Party Trust Assurance Agreement Form
- Letter of Credit Assurance Agreement Form
- Release of Assurances Checklist
- Partial Release of Assurances Form

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- Full Release of Assurances Form
- Third Party Trust Substitute Assurances Form