



STAFF REPORT
WEST ALLIS PLAN COMMISSION
Wednesday, July 28, 2021
6:00 PM
City Hall – Room 128

Watch: <https://www.youtube.com/user/westalliscitychannel>

7. **Ordinance to convert site plan improvement sureties from mandatory to optional amending section 12.13(14).**

Planning and the City Attorney's office have been collaborating about reducing some of the hurdles to obtain zoning/site, landscaping and architectural approvals and ultimately a building permit.

One of these items is currently a zoning requirement in sec. 12.13(14) of the code that requires developers/applicants to obtain a surety bond or letter of credit as a condition of Plan Commission approval. Surety bond and letters of credit have been required/used for decades as they have been considered useful for prompting compliance with approved plans.

12.13(14) – it could be eliminated entirely or changed from a “will/shall” to a “may.”

*Security Bond: Site Plans. As a condition of approving a site plan, the Plan Commission **will may** require that the applicant provide a security bond, letter of credit or cash deposit to ensure the completion of all required site improvements including refuse enclosures, landscaping, and paving, stripping and signage of parking lots. The form of the bond or other security shall be prescribed by the Plan Commission. The amount of the bond or other security will not exceed one hundred twenty-five percent (125%) of the estimated cost of the site improvements and may be reduced over the life of the construction of the project as elements are completed; however, even if the amount is reduced, the bond or other security will remain in force until all required site improvements have been completed and approved by the Building Inspector. The Plan Commission may require more than one (1) estimate from licensed contractors to determine the value of the bond or security.*

However, depending on the insurance company or financial institution there is sometimes a financial burden and time constraint on the applicant to obtain the surety: the financial expense to obtain the surety up to 5% of the amount and a variable amount of the applicants time to secure the appropriate format and execute the surety (requires City Attorney review as to form and the Mayors signature).

- Therefore, Planning is questioning the value of this policy to be routinely applied especially for small business projects and recommend changing the policy to offer staff discretion in applying the requirement from a “shall” to a “may.”

While compliance with approved plans is always our goal, not all projects warrant the application of this policy as a requirement. Planning has considered eliminating it all-together, but for the time being, is opting to reduce the policy to discretionary use (for example larger more complex redevelopment projects like Mandel, UHS, Ogden).

Recommendation: Staff recommends approval of an ordinance to convert site plan improvement sureties from mandatory to optional amending section 12.13(14). A public hearing will be scheduled for September 7.