

TOWN OF COOPERTOWN, TENNESSEE

RESOLUTION SR2026-006

A RESOLUTION TO AMEND THE TOWN'S SUBDIVISION REGULATIONS ARTICLE III, SECTIONS 3-103.1 GENERAL, 3-103.2 AMOUNT OF SURETY, 3-104.5 MAINTENANCE OF IMPROVEMENTS, AND 3-105.2 REDUCTION OR INCREASE OF SURETY

WHEREAS, the Town is granted power to exercise authority over these regulations as granted in Tennessee Code Annotated, 13-4-301 thru 309, including any amendments, which provides the Town the power by resolution to exercise general regulations over planning in Coopertown; and

WHEREAS, amendments to the Subdivision Regulations need to be made to deal with the more complex development opportunities that are now emerging in Coopertown; and

WHEREAS, these additions and updates to the existing criteria in the Coopertown Subdivision Regulations are necessary to provide appropriate subgrade stability for any streets or roads that become the responsibility of the Town after the completion of the development.

BE IT RESOLVED by the Planning Commission of the Town of Coopertown, Tennessee, that the Subdivision Regulations sections be amended as follows (Highlighted language indicates language to be added. Language that is ~~strikethrough~~ indicates language to be deleted):

3-103 Surety Standards and Requirements

3-103.1 General (Amended by Resolution SR2021-018, September 23, 2021)

The Planning Commission, at its discretion, may waive the requirement that the Applicant complete and dedicate all public improvements prior to the signing of the Final Plat by providing that, as an alternative, the Applicant post a surety in lieu of improvements at the time of submission for Final Plat approval in an amount estimated by the Planning Commission as sufficient to guarantee to the Town the satisfactory construction, installation, and dedication of the uncompleted portion of required improvements required by these Subdivision Regulations.

Such surety in lieu of improvements shall comply with all statutory requirements and shall be satisfactory to Town's legal counsel as to form, sufficiency, and manner of execution, as set forth in these Subdivision Regulations. The period within which required improvements must be completed shall be specified by the Planning Commission in the resolution approving the Final Plat or stated in the Performance & Maintenance Agreement related to the development and improvements and shall not exceed two (2) years from date of Final Plat approval without approval of an extension from the Planning Commission.

Such surety in lieu of completed improvements shall be approved by the Planning Commission as to amount and conditions. The Planning Commission may, upon proof of difficulty, approve an extension of the completion date set forth in such Performance & Maintenance Agreement in lieu of improvements for a maximum period of one additional year.

A performance surety amount may be reduced upon demonstration of satisfactory completion of public improvements that includes installation of the asphalt binder course, and then only to the amount established by the Planning Commission. In no event shall a performance surety be reduced below thirty percent (30%) of the Original Principal Amount of the original performance surety or \$5,000.00, whichever is greater. The Original Principal Amount is an opinion of probable project cost ~~estimated cost~~ based upon the assumption that no construction work has commenced on the development project. The Original Principal Amount shall include the construction cost for third-party infrastructure (i.e., roads maintained by TDOT, water, sewer, natural gas, electricity, etc.) and fees from the Town for engineering, inspection, and administration. A contingency of 20% shall be applied to the Original Principal Amount. No more than two reductions shall be considered by the Planning Commission. The initial surety reduction shall be considered only after the asphalt binder base coat is applied to the entire subdivision phase as platted.

3-103.2 Amount of Surety

The Applicant shall provide a good and sufficient performance surety to the Planning Commission to assure completion of the subdivision in compliance with these Subdivision Regulations. The amount and form shall be as described in Section 3-103.1 and approved by the Planning Commission. ~~determined by the Planning Commission.~~ The amount may consider items to include, but not be limited to, construction compliance related items, but also project administration fees that may be incurred by the Town, departments, agencies or utilities to offset actual personnel, materials, equipment costs, consultants or other items should the Town have to implement the required work due to a default by the Applicant. ~~The Town may also apply a contingency amount of twenty percent (20%)~~ The surety includes the 20% contingency applied to the Original Principal Amount and the value or remaining work for determining the amount of the surety.

3-104 Completion of Improvements

3-104.5 MAINTENANCE OF IMPROVEMENTS

~~The Applicant shall be required to maintain all improvements related to the development in accordance with the Development Agreement, Performance & Maintenance Agreement, including but not limited to, all lot improvements and lot drainage, until acceptance of the public improvements by the governing body. Such surety shall be in an amount considered adequate by the Town to assure satisfactory condition of the required improvements. In no event, will this surety be set below an amount equal to thirty percent (30%) of the original principal amount of the Original Performance Surety amount or \$5,000.00, whichever is greater. The surety instrument shall be in a form satisfactory to the Town's legal counsel, in order to assure satisfactory completion of all required improvements, including but not limited to, lot improvements, for a period of one year after the date of completion of the public improvements as determined by the Planning Commission.~~

The Developer shall be required to bear the costs to maintain all improvements for one year as a warranty period after acceptance of the public improvements by the Board of Mayor and Aldermen. A portion of the developer's performance surety described in

Section 3-103.1 shall be converted to a maintenance surety for this period to guarantee said maintenance. The amount retained shall be determined and set by the Town Engineer and accepted by the Planning Commission. The amount of the maintenance surety shall be at least five percent of the original principal amount for the development but shall not exceed the minimum threshold amount for the performance surety as described in Section 3-103.1. The Town Engineer shall inspect the public improvements 60 days prior to the expiration of the warranty period, and the Planning Commission may, if necessary, extend the warranty term to correct any deficiencies.

The Developer shall notify in writing to the Building Commissioner that the project is deemed complete and ready for acceptance by the Town. The Town Engineer shall inspect the project to verify it is ready for acceptance by the Town. The Town Engineer shall submit a recommendation of acceptance to the Building Commissioner and Planning Commission for their consideration through resolution. Upon approval of the resolution by the Planning Commission to accept the public infrastructure, the resolution is submitted to the Board of Aldermen and Mayor (BOMA) for approval. The approval by the BOMA triggers the beginning of the maintenance period for the maintenance surety. The maintenance period and maintenance surety will end at the end of one year unless the Town Engineer identifies deficiencies during the final inspection 60 days prior to the end of the maintenance period. The length of any extension will be determined based on the amount of corrective work required by the Developer prior to final acceptance by the Town.

3-105 Release or Reduction or Increase of Surety

3-105.2 Reduction or Increase of Surety

A surety amount in lieu of improvements may be reduced upon demonstration of satisfactory completion of public improvements, that includes installation of the asphalt binder course, and then only to the amount as determined by the Planning Commission. In no event shall a performance & maintenance surety be reduced below thirty percent (30%) of the Original Principal Amount of the Original Performance Surety or \$5,000.00, whichever is greater.

No more than two reductions shall be considered by the Planning Commission. The initial reduction may be considered only after the asphalt binder course is applied to the entire subdivision phase as platted.

The costs incurred in connection with the Applicant's request for a reduction and/or extension to the time period of the surety amount, to include but not limited to engineering inspections, legal assistance, Town fees, or other consultants for the Town shall be borne and paid for by the Applicant, regardless if the request for reduction or time extension is granted. No reduction and/or extension to the time period for the surety shall be considered approved until all such costs have been paid. The Planning Commission can draw drafts on said surety instrument for such costs as the Planning Commission may determine to be proper.

At the time of surety reduction, the Applicant may request that the infrastructure not owned and operated by the Town, but rather public or private third parties, be removed from the Original Principal Amount and the calculation for the minimum surety

threshold. This will only be considered by the Planning Commission if the Applicant provides the following information to the Building Commissioner: 1) letter from the third-party indicating acceptance of the infrastructure for ownership and maintenance; and, 2) copy of a one-year maintenance bond if the third-party is a public agency or a copy of a one-year warranty agreement if the third-party is a private company. Examples of third-party infrastructure include highways owned by Tennessee Department of Transportation, plus, water and sanitary sewer systems owned and operated by another government agency or private company.

A surety amount in lieu of improvements may be increased at any time by the Planning Commission based upon increases in construction costs. An increase may be required to establish an amount deemed to be sufficient to guarantee the satisfactory construction, installation, maintenance, repairs and dedication of the improvements within the development.

This Resolution shall take effect upon its passage, the public welfare requiring it.

Public Hearing Date: 5-18-2026



Shane Gordon, Chairman