

**ORDINANCE NO. 567**

**EAST NORRITON TOWNSHIP,  
MONTGOMERY COUNTY, PENNSYLVANIA**

**AN ORDINANCE OF THE EAST NORRITON TOWNSHIP, MONTGOMERY COUNTY, COMMONWEALTH OF PENNSYLVANIA, AMENDING CHAPTER 175, SUBDIVISION AND LAND DEVELOPMENT, OF THE EAST NORRITON TOWNSHIP CODE TO AMEND CERTAIN CONTRACT REQUIREMENTS RELATING TO THE PROVISION OF FINANCIAL SECURITY BY APPLICANTS FOR LAND DEVELOPMENT AND/OR SUBDIVISION APPROVAL; REPEALING PRIOR INCONSISTENT ORDINANCES AND PARTS OF ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND CONTAINING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of East Norriton Township (“Board”) is empowered, pursuant to the *Municipalities Planning Code*, 53 P.S. § 10101 *et seq.*, to designate the form of financial security that is acceptable for land development and/or subdivision approval, provided that irrevocable letters of credit and restrictive or escrow accounts held in Federal or Commonwealth chartered lending institutions are deemed to be acceptable financial security; and

**WHEREAS**, the Board desires to amend The Code of Ordinances of East Norriton Township (the “Code”) by adopting certain amendments to Chapter 175, Subdivision and Land Development, to revise certain contract requirements relating to the provision of financial security by applicants for land development and/or subdivision approval; and

**WHEREAS**, the Board finds that accepting a surety or other bond as financial security to secure the completion of improvements for a project is not in the best interests of the public welfare because of the relatively high cost and significant period of time that it takes to collect the proceeds of a bond as opposed to a letter of credit or cash escrow.

**NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED**, by the Board of Supervisors that Chapter 175, Subdivision and Land Development, of the Code of East Norriton Township, be and hereby is amended as follows:

I. Chapter 175 of the Code entitled “Subdivision and Land Development” is hereby amended as follows:

A. **Section 175-5.A, Approval required prior to sale or building permit**, is hereby amended to read as follows:

No lot in a subdivision or land development may be sold and no permit to erect, alter or repair any building upon land in a subdivision or land development may be issued, unless and until a plan has been approved and, where required, recorded and until the required improvements in connection therewith from the lot or building to an existing improved street have either been constructed or the Township has been assured by means of a proper completion guaranty in the form of the deposit of funds or securities in escrow sufficient to

cover the cost of the required improvements, as estimated by the Township Engineer, that the improvements will subsequently be installed.

- B. **Section 175-6.A(2)(a), Erosion and sediment control**, is hereby amended to read as follows:

There has been a plan approved by the Board of Supervisors that provides for minimizing erosion and sedimentation consistent with this section, and financial security in a form and amount acceptable to the Township is deposited with the Township, including, but not limited to an escrow guaranty which will ensure installation and completion of the required improvements; or

- C. **Section 175-6.E(1), Erosion and sediment control**, is hereby amended to read as follows:

Final plans for minimizing erosion and sedimentation as approved will be incorporated into the agreement and financial security requirements under both §175-37 and Article VII of this chapter.

- D. **Section 175-53.A(4), Requirements prior to approval**, is hereby amended to read as follows:

Such financial security shall be posted with a federal or commonwealth chartered lending institution chosen by the party posting the financial security, provided that said lending institution is authorized to conduct such business within the commonwealth.

- E. **Section 175-53.A(5), Requirements prior to approval**, is hereby amended to read as follows:

Such guaranty shall provide for and secure to the public the completion of any improvements which may be required on or before the date fixed in the formal action of approval or accompanying agreement for completion of the improvements.

- F. **Section 175-53.A(10), Requirements prior to approval**, is hereby amended to read as follows:

As the work of installing the required improvements proceeds, the party posting the financial security may request the Board of Supervisors to release or authorize the release, from time to time, such portions of the financial security necessary for payment to the contractor or contractors performing the work. Any such requests shall be in writing addressed to the Board of Supervisors, and the Board of Supervisors shall have 45 days from receipt of such request within which to allow the Township Engineer to certify, in writing, to the Board of Supervisors that such portion of the work upon the improvements has been completed in accordance with the approved plat. Upon such certification, the Board of Supervisors shall authorize release by the lending institution of an amount as estimated by the Township Engineer fairly representing the value of the improvements completed or, if the Board of Supervisors fails to act within said forty-five-day period, the Board of Supervisors shall be deemed to have approved the release of funds as requested. The Board of Supervisors may, prior to final release at the time of completion and

certification by its engineer, require retention of 10% of the estimated cost of the aforesaid improvements.

**II. REPEALER**

Any and all terms, conditions, and provisions of any Ordinance or Resolution of East Norriton Township in conflict with the terms, conditions and provisions of this Ordinance are hereby repealed to the extent of such conflict.

**III. SEVERABILITY**

It is hereby declared to be the legislative intent that if a court of competent jurisdiction declares any provision of this Chapter to be invalid or ineffective in whole or in part, the effect of such decision shall be limited to those provisions which are expressly stated in the decision to be invalid or ineffective, and all other provisions of this Chapter shall continue to be separately and fully effective.

**IV. EFFECTIVE DATE**

This Ordinance shall be effective immediately upon adoption by the Board of Supervisors of East Norriton Township.

**ORDAINED AND ENACTED**, by the Board of Supervisors of the Township of East Norriton, Montgomery County, Commonwealth of Pennsylvania, this 27<sup>th</sup> day of October, 2015.



**EAST NORRITON TOWNSHIP  
BOARD OF SUPERVISORS**

  
Chairman

ATTEST:



Secretary