



# Town of Salem

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March 1, 2012

Connecticut General Assembly  
Planning and Development Committee  
Room 2100, Legislative Office Building  
Hartford, CT 06106

SUBJ: RHB 5320 – An Act Concerning Bonds and Other Surety for  
Approved Site Plans and Subdivisions – Public Hearing Testimony

Members:

Though the subject Bill is an attempt to rectify the tenable bonding restrictions and procedures resulting from PA 11-79, passed last year, the Bill does not go far enough. It still leaves the decision of whether to file a bond, or if a bond will be filed, up to the developer/subdivider.

Salem's Planning and Zoning Commission, in response to PA 11-79, has (a) placed a moratorium on site plans and subdivisions until April 1, 2012, and (b) scheduled a public hearing for March 27, 2012 to amend its zoning and subdivision regulations to eliminate the possibility of bonding.

The subject Bill does clarify that site plans, not just modified site plans, may be bonded, and it eliminates the requirement that the Commission must, and makes it optional that the Commission may, accept surety bonds. It also reinstates the municipality's ability to require maintenance bonding, though limits that bonding to a period of one year following completion of improvements.

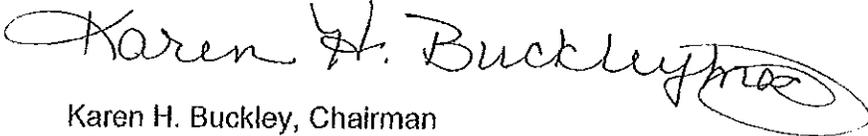
Of critical importance, however, is that the Bill does not remove the decision of whether, or when, to post a bond up to the developer/subdivider. Those decisions must be returned to municipal commissions. The potential adverse financial impacts to municipalities could prove substantial should a developer/subdivider not have posted a bond, proceeded with construction, and subsequently abandoned the project without having completed approved public improvements. The town would then be placed in the position of completing those improvements, at the town's expense. The Bill also does not remove the 10% cost-plus restriction, which could prove financially detrimental to municipalities. Further, it does not return to municipalities the discretion to require bonding of site plans/subdivisions without public improvements.

The Bill also does not address the requirement that, upon submission of a bond release/reduction, the commission must, within 65 days, either approve the

release/reduction, or provide written comments re work remaining to be done before the bond can be released. This requirement is extremely unreasonable for those towns without adequate staff to ensure the timeframe is not exceeded.

I support adoption of HB 5320 with the following changes: (a) the municipality decides, if bonding is required as part of the application approval, when that bond shall be posted, (b) remove the 10% maximum cost contingency, (c) remove the limitation that bonding may only be applied to public improvements, and (d) remove the requirement that bond reductions/requests must be acted on within 65 days of receipt.

Respectfully submitted,

A handwritten signature in black ink that reads "Karen H. Buckley". The signature is written in a cursive style and is enclosed within a large, hand-drawn oval.

Karen H. Buckley, Chairman  
Planning and Zoning Commission