

**ASSIGNMENT OF FUNDS  
IN LIEU OF PLAT BOND  
INCLUDING SPECIFIC PERFORMANCE &  
MAINTENANCE PROVISIONS**

MAIL TO:  
CITY OF KENT  
Attn: Development Engineering  
220 - 4<sup>th</sup> Avenue South  
Kent, WA 98032-5895

Project: \_\_\_\_\_  
KIVA#: \_\_\_\_\_  
Location: \_\_\_\_\_  
Tax Account#: \_\_\_\_\_  
Bond Account #: \_\_\_\_\_

**I. ASSIGNMENT AND SPECIFIC PERFORMANCE**

\_\_\_\_\_, a [type of entity:] \_\_\_\_\_  
\_\_\_\_\_ ("Principal"), does hereby assign, transfer, and set over unto the City of  
Kent all rights, title, and interest in and to the sum of

\$ \_\_\_\_\_ ("Funds")

deposited in a [account type] \_\_\_\_\_ Account No. \_\_\_\_\_  
in [branch name] \_\_\_\_\_ of [name of bank or other institution]  
\_\_\_\_\_ ("Bank or Institution"); this account being in the  
name of \_\_\_\_\_ as Principal. The Principal grants to the City  
of Kent full power and authority to demand, collect, and receive these Funds from  
Bank or Institution.

The Funds assigned to the City equal at least **150 percent** of the approved  
engineer's estimate of the costs to complete the construction project that the  
Principal wishes to undertake, as referenced above and as more completely  
described in approved plans on file with the City and in the Engineer's Cost  
Estimate, which amount will be forfeited in full to the City upon the Principal's  
failure to perform. The Principal has agreed to obligate itself to the City in the  
listed amount because undertaking this construction project ("Improvements") may  
cause damage and disruption to public or private land and/or public right-of-way  
within the City.

The foregoing obligation is required because the Principal is about to record a final  
plat named \_\_\_\_\_.

**II. GENERAL TERMS & CONDITIONS**

- A. All construction and restoration shall comply with all applicable local, state,  
and federal laws, permits, and regulations. The Improvements and their  
appurtenances shall be constructed in accordance with the approved plans.
- B. Principal shall **fully complete** construction no later than **365 days** after plat  
recordation unless the Public Works Department has, in its sole discretion,

granted an extension of time in writing. Failure to complete construction within 365 days shall result in the requirement that additional funds be assigned or immediate forfeiture of all assigned Funds, at the discretion of the City.

**III. TERM OF ASSIGNMENT – GENERALLY**

This Assignment shall remain in force until released in writing by the City, *provided*, partial early release may be allowed as described in Section V below.

**IV. ASSIGNED FUNDS SHALL BE RELEASED UPON DEMAND OF THE CITY OF KENT, AND ONLY WITH THE CITY'S CONSENT**

It is understood and agreed that all Funds being held under this Assignment will be released to the City of Kent on demand with no other condition of release. It is further understood and agreed that the Bank or Institution named above holds these Funds in its possession and agrees to hold these Funds until a release of this Assignment is received in writing from the City of Kent.

**V. PARTIAL RELEASE OF ASSIGNED FUNDS AS WORK IS SATISFACTORILY PERFORMED**

The parties agree that 100% of the Funds listed in Section I above shall constitute surety funds to guarantee specific performance by the Principal of the work required to construct and maintain the Improvements. However, in its sole discretion, the City may release in writing, one time only, a portion of the Funds.

**VI. WHEN ADDITIONAL ASSIGNED FUNDS REQUIRED**

The City may require the Principal to post additional funds if the City demonstrates that a change in conditions or circumstances makes additional security necessary to guarantee performance by the Principal.

**VII. FORFEITURE DUE TO NON-PERFORMANCE**

- A. Failure by Principal to fully and satisfactorily perform, or to post additional assigned funds as required by the City, shall result in forfeiture to the City of any and all Funds held under this Assignment.
- B. Failure by Principal to satisfactorily complete construction within 365 days after plat recordation, absent any extensions granted in writing by the City, shall constitute non-performance and the City may immediately claim and use the Funds to complete all Improvements guaranteed under this Assignment.

**VIII. FUNDS HELD AS WORKMANSHIP & MAINTENANCE GUARANTEE**

- A. Principal agrees that **20% of the Funds indicated in Section I or \$5,000**, whichever is greater, shall be held in trust as a guarantee against potential costs to the City related to defective materials or workmanship or to ensure performance of other maintenance required by the Improvements. This sum shall be held in trust for a period of **two (2) years** from the date of **final construction approval** of the Improvements by the City.
- B. Principal agrees to promptly correct any deficiencies in construction and/or make any emergency repairs requested by the City during the two year period.
- C. Principal agrees to promptly reimburse the City for any emergency repairs performed by the City or its agents.
- D. Principal agrees to properly maintain the Improvements pending final construction approval of the Improvements by the City.

**IX. FINAL RELEASE OF ALL REMAINING FUNDS**

Any Funds still held under this Assignment that have not been otherwise forfeited due to non-performance shall be released **two (2) years** after the date of **final construction approval** of the Improvements by the City, *provided*, that the City has determined, at its sole discretion, that all Improvements, including maintenance, have successfully been completed.

**This Assignment will take effect on the date last entered below.**

**PRINCIPAL**

\_\_\_\_\_  
Signature Date

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

