



## Financial Security Renewal Process

We have faced major challenges with the renewal process of financial securities due to untimely submittals of Financial Security Extension Applications. The LDR states the following (LDR-39):

- A notification 3 months prior to the expiration of the existing letter of credit is to be mailed
- Indicate the due date, which is **45 days prior** to the Security Term expiration.
- Thirty (30) days prior to the Security Term expiration, a notification is to be mailed certified, indicating the **missed deadline** for providing the renewal, and alert the developer that the County of Greenville will initiate the process of collecting the Financial Security if the renewal is not received by a certain date.

Too often we have received the cost estimated as late as two weeks prior to the expiration of the security. Our inspection staff has been forced to change their work schedules and miss other deadlines and goals in order to complete site visits and review cost estimates. Subdivision Administration staff has been forced to notify banks and preparing draw documents unnecessarily in the event the renewal LOC is not provided by the expiration date.

**As of July 1, 2014**, Subdivision Administration staff will begin to enforce the due date for renewals of Financial Securities as stated in the LDR, which is **45 days prior to the Security Term Expiration**.

The current processing fee for Financial Security Extensions (renewals) is \$100.

As we impose/enforce the renewal deadline outlined in the LDR, we will be monitoring for the next three months how the development community complies with the renewal deadline, giving time to get acclimated to this process. Starting October 1, 2014, for those developers who fail to comply with the requirements of the LDR, the following processing fees will be assessed for renewals:

- If the renewal Financial Security is provided by the due date, the processing fee for the Financial Security Extension Application, the standard fee of \$100, will apply.
- If the renewal Financial Security is provided after the due date but before two weeks prior to the expiration of the Financial Security, the processing fee will be \$500.
- If the renewal Financial Security is provided within the two weeks prior to the expiration of the Financial Security, the processing fee will be \$1000.

**When renewing your financial security**, please provide the following items in the submittal packet:

- Financial Security Extension Application – completed in its entirety
- Itemized Cost Estimate – certified by the engineer
- \$100 processing fee
- Action plan, if required (as noted on the 90 Day Notification Letter)

Upon receipt of the above items, the cost estimate will be forwarded to the Construction Inspector (the municipality and/or DHEC, if applicable) for review and approval. The review of the cost estimate by Land Development Division will be completed within 10 days. The developer will be notified when the cost estimate is approved and to provide the financial security, or that the cost estimate is not adequate and a revised cost estimate is needed.