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Edwin Van-Otoo, Town Engineer
Fred Townsend, III, Town Attorney

September 3, 2020

Mr. Rob Allen,
Route 71 Properties, LLC
5169 West Woodmill Drive – Suite 10
Wilmington, DE 19808

This correspondence is in response to your letter dated May 21, 2020, requesting a waiver from your construction bonding procedures to allow construction the first two phases of Woods at Hidden Creek; (Phase 1, lots 1-4, 2332, 42-56 and 124 (27 lots) and Phase 2, lots 5-22, and 33-41, (24 lots).

The Town Engineer, Mr. Edwin Van-Otoo, P.E., has reviewed the cost estimate from Route 71 Properties, LLC for the Woods at Hidden Creek Development. It is my understanding that the estimate was prepared in accordance with the activities described on the plans entitled "The Woods at Hidden Creek" last revised 4/18/2019, prepared by Karins and Associates of Newark, DE.

Mr. Van-Otoo, has reviewed the Developer's cost estimate as well as the plans and has prepared an estimated Cost of Completion for these site improvements. The estimated Cost of Completion thereof for Phase 1 is \$3,319,845.75 and for Phase 2 is \$560,591.50 by his calculations. In accordance with the requirements of the Town of Townsend per Article IX, Land Development Requirements of the Zoning and Unified Development Code, the Developer is required to provide financial security in an amount equal to 120% of the Cost of Completion. Therefore, the required financial security for Phase 1 of the project is \$3,983,814.90 and for Phase 2 is \$672,709.80.

In addition, the requirements of the Town of Townsend per Article IX, Land Development Requirements of the Zoning and Unified Development Code, the Developer is required to provide an inspection escrow in an amount equal to 5% of the financial security. Therefore, the required inspection escrow for Phase 1 of the project in the amount of is \$199,190.75 and for Phase 2 is required for this project \$33,635.49.

Given the financial times resulting from the State of Emergency related to COVID-19, the Town Council reviewed your request and has agreed to offer the following reduction of the financial security obligations for Phase 1 and 2 as during the Council meeting on July 1, 2020.

At the direction of Town Council, Route 71 Properties LLC is granted a deferment in the total bond requirement 120% of the Cost of Completion. Therefore, a bond in the amount of \$350,000 is to be allocated for Phase 1 & 2 of this project.

The Town of Townsend is in receipt of the required written statement from the New Castle County Public Works to ensure that the sewer is to be evaluated and under New Castle County authority.

I look forward to hearing from you in the near future to arrange a preconstruction meeting.

Sincerely,



Anthony S. Mangeri, MPA, CPM, CEM
Town Manager

CC: Edwin Van-Otoo, PE, Town Engineer
Fred Townsend, Town Attorney
Land Use & Development Committee
Antonina M. Tantillo, Town Clerk