ANCILLARY AGREEMENT

THIS AGREEMENT, made this ______ day of _____________________, 20___, by and between _______________________________________________________, party of the first part, hereinafter referred to as the “Owner”, and the CITY OF CHESAPEAKE, VIRGINIA, a municipal corporation, party of the second part, hereinafter referred to as the “City”.

WHEREAS, the Owner has caused to be subdivided into lots, a certain tract or parcel of land situated in the _________________________________ Borough of the City of Chesapeake, Virginia, as shown on a certain plat entitled __________________________________________, dated ________________, _____________, ___________, and has previously entered into a Subdivision Agreement with bond dated _________________, ___________, ___________, guaranteeing the installation of physical improvements as required by the Chesapeake Subdivision Ordinance; and

WHEREAS, the construction of certain improvements, as shown on the approved development plan for the subdivision entitled __________________________________________, and as required by the above-mentioned agreement and the Chesapeake Subdivision Ordinance, have not yet been completed; and

WHEREAS, said Owner desires that its original Subdivision Agreement and bond be cancelled; and

WHEREAS, said Owner is willing to execute an Ancillary Agreement with bond or other security (the “Bond”) to guarantee the installation of said improvements;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That for and in consideration of the mutual covenants and agreements contained herein, the parties hereto agree as follows:
1. The said Owner hereby covenants and agrees that he will within ____________
   (___) months, from the date of this agreement, install
   __________________________________________________________________________
   __________________________________________________________________________
   __________________________________________________________________________
as required by the Chesapeake Department of Development and Permits and as shown on the
approved development plan for this subdivision, which plan is on file in the office of the
Chesapeake Department of Development and Permits, and further agrees to comply with all
provisions of the Chesapeake Subdivision Ordinance as it relates to the subject development.
The said Owner further agrees to provide the City with a bond or other security in the amount of
________________________________________ and no/100ths Dollars ($__________.00) with
surety or other security acceptable to the City Attorney’s Office, to guarantee the installation of
said improvements for said period of time to guarantee faithful compliance with all the
provisions of the Chesapeake Subdivision Ordinance.

2. The City hereby agrees to release the Subdivision Agreement and bond heretofore
   entered into with the Owner.

3. It is mutually understood and agreed that in the event the Owner fails to complete
   the physical improvements provided hereinabove in the time designated, the Owner will be
   deemed to be in default unless an amendment is approved by the City extending the time. The
   City may complete or cause the same to be completed, and the Owner as principal, and/or the
   surety shall be jointly and severally liable to pay to the City the entire cost necessary to
   complete said improvements. It is understood that the Bond may be used to complete said
   improvements.
4. It is further understood by the parties to this Agreement that in the event of default by the Owner, as described above, the City may, at its option, collect the total cost for the completion of the improvements from the Owner as principal and/or the surety prior to the actual construction of same, which cost is to be determined by estimates prepared by the Department of Development and Permits of the City of Chesapeake. In the event the estimated cost is greater than the actual cost necessary to complete the construction, the City will refund to the Owner and/or the surety the difference; in the event the estimated cost is less than the actual cost necessary to complete the construction, the Owner as principal, and/or the surety will furnish to the City upon demand an amount equal to the difference in cost.

5. In the event that the Owner defaults in any of the terms of this agreement, the City shall have the right to refuse the issuance of building permits and/or to withhold all City services in the subdivision.

6. It is mutually understood and agreed that if the Owner shall faithfully execute each and all requirements of the said Subdivision Ordinance and the provisions of this agreement, then the aforementioned Bond shall be released by the City to the Owner.

BOND AGREEMENT OR OTHER SECURITY ATTACHED AS EXHIBIT “A”

WITNESS the following signatures and seals:
STATE OF VIRGINIA,
CITY OF ___________________________, to-wit:

The foregoing, instrument bearing date of __________________, ________, 20____, was acknowledged before me this ________ day of ____________________, 20____, by ___________________________________, ___________________________________, (title) of ____________________________________.

______________________
Notary Public

My commission expires:______________________ Registration No: _____________________

ATTEST:
CITY OF CHESAPEAKE, VIRGINIA

_____________________________   ________________________________
City Clerk        Director of Development and Permits

STATE OF VIRGINIA,
CITY OF CHESAPEAKE, to-wit:

The foregoing, instrument bearing date of ______________, _________, was acknowledged before me this ________ day of ______________, 20____, by _______________________________, Director of Development and Permits and ________________________________, City Clerk, respectively, of the City of Chesapeake.

______________________
Notary Public

My commission expires:______________________ Registration No: _____________________

Approved as to form:

______________________________
City Attorney