

Cash Bonds

Washoe County should hold developers accountable for possible flooding, roadway damage, or blasting damage to neighboring homes with a cash bond. The developers typically create Limited Liability Corporations to support their plans which are disbanded as soon as the work is done. If there is damage that is not immediately evident, there is no longer a corporation to hold liable for the damage. This is a tactic on the part of developers to evade responsibility for the damage their work causes to the neighbors. If the injured residents sue the county for an inadequate plan, it is the county taxpayers who shoulder the burden for damage caused by the developer.

Municipal Bonds comes in two forms, an Insurance Bond, and the much more widely used Cash Bond. Almost all Municipalities, in most states, require a bond for any construction project.

An insurance Bond is where the municipality asks the developer to provide a bond posted by an insurance company for the amount of potential damages the municipality feels it could occur due to poor performance by the developer or their used widely is contractors. The reason this type of bond is no longer popular is that it takes a legal case to get money from an insurance company. Often, the legal costs end up being as much as the damages sought by the injured residents.

For the more popular "Cash Bond", the developer borrows a sum from a bank to cover potential liability with the agreement that the money remains at the bank until the end of the bond. The developer assigns the municipality the right to access this bond money if the developer causes damage to the residents. The amount borrowed usually is equal to $\frac{1}{2}$ the total estimated cost of the project, and the developer usually only pays about 1% per year to the bank, for providing the money. The bank keeps the money until the end of the bonding period, at which time the bond is dissolved. Should the municipality need to access the money, no lawsuit is required. A bond arrangement could last for several years after the completion of the project to protect area residents.

Stephen Wolgast 4/3/18
5720 Cedarwood Drive, Reno 89511

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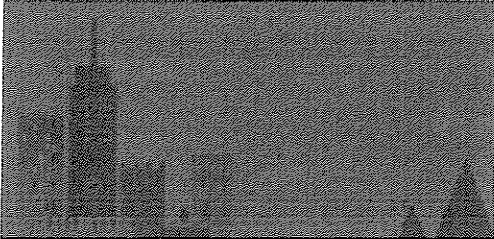


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Google Maps 109 Grumpy Ln



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109 Grumpy with
manufactured unit.

109 Grumpy Ln
Sun Valley, NV 89433

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109 Grumpy Currently Vacant



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DONALD B. ELLIS
GENERAL CONTRACTOR • DEVELOPER

(702) 266-4930

775-781-7827

2026 MASONIC
GARDNERVILLE, NEVADA 89410

4/3/2018

WASHOE COUNTY PLANNING COMM.

I VOTE TO REZONE NEIGHBORHOOD
COMMERCIAL BACK TO ALLOW SINGLE
FAMILY MOBILE HOMES, SUN VALLEY.
IS AN EXCELLENT AREA FOR AFFORDABLE
HOUSING, WHICH IS NEEDED NOW.

COMMERCIAL ZONING BORDERING SUN VALLEY
BLVD AND 395 IS ENOUGH FOR NOW.

Don B. Ellis

P.S. I HAVE TWO PROPERTIES IN THIS
ZONING