

### **Why is a forest conservation bond necessary?**

We require bonds for forest conservation reforestation and afforestation to indemnify the Planning Department for the costs of completing unfinished or abandoned work. All Forest Conservation Plans with planting requirements require a bond posted for an amount based on the full cost to plant and maintain the planted forest/trees during the maintenance period.

### **When is the bond required?**

After approval of the final Forest Conservation Plan and before a pre-construction meeting with a forest conservation inspector, the applicant must post a forest conservation bond of \$0.90 per square foot for each planting area, plus maintaining the planting area including tree protection and non-native invasive management control.

An applicant may submit an itemized cost estimate for review and approval by prior to submission of the bond. The cost estimate must include line item costs for individual trees species, labor costs for planting and maintaining the planted material during the maintenance period, deer protection, and non-native and invasive management control.

We use four types of bonds:

- **Letters of Credit** issued by banks on their letterhead.
- **Performance Bonds** available through insurance brokers.
- **Certificates of Guaranty** issued by the Development Guaranty Corporation of Montgomery County (a membership organization).
- **Cash Bonds** payable by personal or corporate check to the Maryland National Capital Park and Planning Commission.

### **When will my bond be released?**

The bond will be released after the applicant requests an inspection with the forest conservation inspector and the planted material meets or exceeds all survivability requirements. Upon final inspection approval, the bond release will be processed.

### **Processing Time**

The forest conservation inspector notifies the M-NCPPC Legal Department that the applicant has successfully completed their planting requirements. The Legal Department will return the financial instrument to the issuing organization. If a cash bond is used as security, the forest conservation inspector notifies a permit technician to release the escrowed monies and authorize the Finance Department to issue a check.