



City of Long Beach
Department of Development Services
Building and Safety Bureau
**Grading Permit Surety Bond for
Faithful Performance**

Information
Bulletin
BU-020
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The Building & Safety Bureau (Bureau) requires a Grading Permit Surety Bond for Faithful Performance (Bond) for excavation or fill of two hundred and fifty (250) cubic yards (191.3 m³) or more of earth to assure that the grading work is completed according to the approved plans and specifications and to the satisfaction of the Bureau. Upon application by the Permittee, the Building Official may waive this requirement if certain criteria are met. The Bond shall comply with regulations pursuant to Long Beach Municipal Code §2.84.040, §18.75.030, and this Information Bulletin.

1. **Execution of the Bond.** Before a grading permit is issued, the Permittee shall submit a Bond with the Bureau. The Bond shall be signed and notarized by two (2) corporate or limited liability company (LLC) officers or their duly authorized representative(s) and a corporate surety authorized to do business in the State of California. A notary's certificate of acknowledgement must be attached for each signature. If a single officer has the authority to bind the corporation or LLC, the Bond must also have attached proof of his/her authority (i.e., copy of the Bylaws, Corporate Resolution, or Corporate Policy) authorizing execution. Should the Permittee wish to have a fully executed copy of the Bond, two (2) duplicate originals of the Bond and all other supporting documents shall be submitted to the Bureau for processing.
2. **Conditions of the Bond.** Every Bond shall be conditioned such that the Permittee shall:
 - a. Comply with all the provisions of the excavation and grading codes, regulations, and ordinances of the City.
 - b. Comply with all of the terms and conditions of the permit to the satisfaction of the City's Directors of Public Works and/or Development Services or his/her designee.
 - c. Complete all of the work described by the permit within the time limit specified in the permit. Upon application by the Permittee, the Bureau may for sufficient cause, extend the time specified in the grading permit, but no such extension shall release any surety on the Bond.
 - d. Reimburse the City for any work the City's Directors of Public Works and/or Development Services deem necessary to complete, correct, or otherwise undertake with regard to the work specified in the Permit.
3. **Amount of the Bond.** A signed Engineer's Cost Estimate shall be submitted and reviewed during plan check. Execution of the Bond shall be in an amount set at the discretion of the Building Official based on the Engineer's Cost Estimate, but not less than the greater of the following:
 - a. Ten dollars (\$10.00) per cubic yard of earth material in either excavation or fill, whichever is the greater amount; or
 - b. The estimated cost of performing the grading work, including the cost of all drainage or other protective devices such as, but not limited to, retaining walls as may be required.
4. **Period and Termination of the Bond.** The term of the Bond shall begin on the date of grading permit issuance and shall remain in effect for not less than two (2) years, or until the work is

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completed to the satisfaction of the Bureau, or until replaced by a new Bond in the event of a change of ownership. In the event of failure to complete the work and/or failure to comply with all of the conditions and terms of the grading permit, the Bureau may order some or all of the work to be completed to correct any hazardous conditions. The surety executing the Bond shall have a continuing obligation for the payment of all necessary costs and expenses that may be incurred or expended by the City to complete the work and that said surety agrees to any lawful extension of time within which to complete such work. Such costs shall include an amount equal to the cost to the City of administering the contract and supervising the work required.

5. **Processing of the Bond.** Upon receiving the completed Bond and supporting documents, the Bureau will verify the information for sufficiency. The Bureau will then forward the Bond to the City Attorney's Office for review as to form. Upon approval, the Bureau will notify the Permittee of the status of the Bond.
6. **Installment Refunds.** When a substantial portion of the required grading work has been completed to the satisfaction of the Bureau, and when the completion of the remaining grading work or site development is delayed, the Bureau may accept the completed portion of the grading work and consent to the proportionate reduction of the Bond to an amount estimated to be adequate to ensure completion of the grading work or site development remaining to be performed. Only one such reduction shall be considered for each Bond posted.
7. **New Permittee.** In the event of change of Permittee during grading, the new owner shall secure a new grading permit and post a new Bond to ensure completion of the grading.
8. **Application of Bond to Adjacent Property.** Where grading is required on property adjacent to the grading site under permit in order to complete the project satisfactorily, the owner of the adjacent property does not need to provide an additional Bond if the original Bond is of sufficient amount to include such additional grading. Grading on property adjacent to the grading site is prohibited without the expressed consent of the adjacent property owner.
9. **Entry Upon Premises.** The Bureau, the surety company, or their duly authorized representative, shall have access to the premises described in the grading permit for the purpose of inspecting the progress of the work.

In the event of default in the performance of any terms or conditions of the grading permit, the surety or its representative(s) shall have the right to enter the premises to complete the work. Should the surety fail to perform the work described by the grading permit and the Bureau determines that public health, safety, or general welfare is endangered, the Building Official may enter the premises to perform or cause to be performed all or any part of such work. It is unlawful for the Permittee or any other person to interfere with the ingress and egress from the property of any authorized representatives.

10. **Release of the Bond.** When all of the work described by the grading permit, and the plans and specifications relating thereto, is completed to the satisfaction of the Bureau, the Permittee shall submit in writing a request for the release of the Bond.