



INFORMATION BULLETIN

IB-020

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Grading Permit Surety Bond

The purpose of this Information Bulletin (“IB”) is to provide information on when a Grading Permit Surety Bond (“Bond”) may be required of an Applicant/Permittee/Principal (“Principal”) for a construction project and the procedure to successfully execute a Bond. The Building Official may require a Bond to assure that the grading work, if not completed in accordance with the approved plans and specifications, will be corrected to eliminate hazardous conditions. A Bond may be required for the following situations: (1) excavation or fill of two hundred and fifty (250) cubic yards or more of earth, or (2) excavation or fill of fifty (50) cubic yards or more of earth that is potentially hazardous (e.g., excavation near or adjacent to property lines, contaminated soils, or other situation as determined by the Building Official). When a Bond is required, it shall comply with provisions of the Long Beach Municipal Code (“LBMC”) Sections 2.84.040, 18.75.030 and this IB.

1. **Execution of the Bond.** Before plan check approval is issued, the Principal shall submit a Bond, Notary Acknowledgement(s), and Engineer’s Cost Estimate to the Bureau. The Bond shall be signed and notarized by two (2) corporate or limited liability company (“LLC”) officers or their duly authorized representatives and a corporate surety (“Surety”) authorized to conduct business in the State of California. If a single officer has the authority to bind the Surety or LLC, proof of his/her authority (e.g., Statement of Information, copy of the Bylaws, Corporate Resolution, or Corporate Policy) authorizing execution must also be attached. Should the Principal wish to have a conformed copy of the Bond, two (2) duplicate originals of the Bond and all other supporting documents shall be submitted to the Building Official for processing.
2. **Conditions of the Bond.** Every Bond shall be conditioned such that the Principal shall:
 - a. Comply with all applicable provisions of LBMC Title 18 and all other ordinances of the City or laws and statutes of the State.
 - b. Comply with all of the terms and conditions of the permit to the satisfaction of the Building Official 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 Principal, the Building Official may, for sufficient cause, extend the time specified in the permit, but no such extension shall release any surety on the Bond.
 - d. Reimburse the City for any work 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, erosion control, 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 permit issuance and shall remain in effect for not less than two (2) years, or until the work is completed to the satisfaction of the Building Official, or until updated with a Rider 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 permit, the Building Official 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 Building Official will verify the information for sufficiency. If approved as to form, the Building Official will sign the documents and forward the Bond to the City Attorney's Office for review. Upon approval by the City Attorney's Office, the Building Official will notify the Principal regarding the plan check status and whether the permit is ready for issuance.
6. **Installment Refunds.** When a substantial portion of the required grading work has been completed to the satisfaction of the Building Official, and when the completion of the remaining grading work or site development is delayed, the Building Official 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. **Changes.** The Principal can make changes to the Bond by submitting a General Purpose Rider. Should the Principal change to a different entity, a new Bond will need to be submitted and comply with the procedures established in this IB.
8. **Application of Bond to Adjacent Property.** Where grading is required on one or more property(ies) adjacent to the grading site under the 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 written consent of the adjacent property owner.
9. **Entry Upon Premises.** The Building Official or his/her designee, Surety, or their duly authorized representative(s), shall have access to the premises described in the 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 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 permit and the Building Official 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 Principal 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 permit, including the plans and specifications relating thereto, is completed to the satisfaction of the Building Official, the Principal shall submit in writing a request for the release of the Bond.

To request this information in an alternative format or to request a reasonable accommodation, please contact the Development Services Department at longbeach.gov/lbds and 562.570.3807. A minimum of three business days is requested to ensure availability; attempts will be made to accommodate requests with shorter notice.