



GRADING BOND INSTRUCTIONS

(EFFECTIVE 06/11/2015)

REV.: 06/15

A grading bond is required for all grading work of 250 cubic yards or more when conducted in a designated hillside area. (Section 91.7006.5)

1. Download Grading Bond forms from LADBS website at WWW.LADBS.ORG or obtain bond forms from Plan Check or Grading Section: Cash bond requires two (2) copies. Surety Bond requires three (3) copies. USE THE DEPARTMENT FORMS PROVIDED.
2.
 - a) The grading bond must be taken in the name of the owner and signed by the owner. The owner on the application for grading permit and the principal shown on the bond must be identical.
 - b) The address and the legal description on the bond and on the grading permit application must be identical. (Attach a copy of the metes and bounds description, if used, to each bond copy).
 - c) The surety company must be named on all surety bonds and its corporate seal impressed thereon. The signature of its attorney-in-fact must be acknowledged by a notary public.
 - d) If applicant is a partnership, the bond must be signed by at least one general partner and the signature acknowledged by a notary public on a partnership form of acknowledgment.
 - e) For cash bond, signatures of individual owners shall be acknowledged by a notary public.
 - f) Certified or cashier's check are required for a cash bond. Check to be made to City of Los Angeles.
3. Effective on Thursday, June 11, 2015, the Office of the City Administrative Officer (CAO) Risk Management Office will only be accepting Department of Building and Safety (LADBS) bond requests for review and approval electronically.
4. Present the grading bond form, the grading permit application with an email address of the requestor of permittee to your plan check engineer for verification of the bond amount, and items (a) and (b) above, and his/her signature. The bond amount is based on the number of cubic yards of material in either excavation or fill, whichever is the greater amount, plus the cost of all drainage and other protective devices, such as retaining walls. (Section 91.7006.5.7)
5. City staff shall scan all bond documents, including any supporting documentation presented to the "CAO" Risk Management Office via email to: cao.insurance.bonds@lacity.org
6. Approved documents with an assigned corresponding CAO approval number will be emailed back to the requestor or permittee (City staff, contractor or resident) for processing with the appropriate LABBS plan checker. Post bond and have grading permit application stamped at "Cashier's Window".

CASH BOND RELEASE: When all phases of the job have been completed and have been approved and signed off by all inspectors (the Grading Inspector will give the approval for release), the owner, owners, or corporation listed on the bond will be notified by the Department to present the accounting office with the lower redeemable portion of the original receipt for the bond. The upper portion of the receipt is for the bond owner. Approximately ten days are required to process the owner's claim for refund after the receipt is received by the Department.

PARTIAL CASH BOND RELEASE: If the grading work has been completed 50% or more, a relative percentage of cash bond may be released by the grading inspector in charge of the job. The grading division shall prepare a release letter, duly addressed to the financial services and signed by the head of the division.

SURETY BOND RELEASE: Notice of release upon completion of the job will be mailed to the surety company.