

# 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](http://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](mailto: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.

**GRADING PERMIT CASH BOND**

(EFFECTIVE 09/07/2025)

REV.: 09/25

Legal Address of property covered by this bond:

Address:

**1**

City: \_\_\_\_\_ Zip: \_\_\_\_\_

Legal Description:

Tract: **2** \_\_\_\_\_

Block: \_\_\_\_\_ Lot(s): \_\_\_\_\_

THIS AGREEMENT, made and entered into this **3** day of \_\_\_\_\_  
20\_\_\_\_, by hereinafter; **4**Address: **5** \_\_\_\_\_ City: **5** \_\_\_\_\_ Zip: **5** \_\_\_\_\_Email: **6** \_\_\_\_\_ Phone: **7** \_\_\_\_\_ hereinafter  
called the "Principal", with the City of Los Angeles, a municipal Corporation,  
hereinafter called the "City".**WITNESSETH**

WHEREAS, the above named Principal has applied to the Department of Building and Safety of the City of Los Angeles for issuance to said Principal, of a permit to do and perform excavation and/or fill work within the City of Los Angeles at the above location owned by said Principal, more specifically described in the application for a Grading Permit, and in accordance with the provisions of Article 1, Chapter IX of the Los Angeles Municipal Code, and the principal is required to furnish a bond in the sum hereinafter mentioned, conditioned as hereinafter set forth; and

WHEREAS, the principal has deposited or will deposit with the City an amount in cash or **8** \_\_\_\_\_ as hereinafter mentioned, the receipt of which cash or \_\_\_\_\_ is hereby acknowledged; and the City has agreed to hold said deposit in trust to indemnify the City for all costs and expenses incurred by the City by reason of the violation by the principal of any of the provisions of Division 70, Article 1, Chapter IX of the Los Angeles municipal Code, and particularly Section 91.7006.5.1, 91.7006.5.2 & 91.7006.5.4 thereof.

NOW THEREFORE: If the Principal shall well and truly comply with all of the requirements of municipal Code Section 91.7006.5.5 and all of the applicable provisions of Article 1, Chapter IX of said Code, and

If all work required to be done complies with all of the terms and conditions of the permit for excavation or fill to the satisfaction of the Department of Building and Safety, and completed within the time limit specified in the grading permit or in the event of a change in ownership prior to the completion of the grading and the new owner selects to secure a new permit and post a new bond for the completion of the grading work, then this obligation shall be void; otherwise to remain in full force and effect.

(over)

CA NO. \_\_\_\_\_  
PRINCIPAL \_\_\_\_\_



# GRADING PERMIT CASH BOND

(EFFECTIVE 09/07/2025)

REV.: 09/25

As security for the performance of his obligations hereinabove mentioned, the Principal does hereby forthwith upon the execution of his agreement, transfer and deliver unto said City of Los Angeles, to be held for the purposes and upon the terms and conditions hereinabove and hereinafter set forth, the following amount of cash or:

9 Dollars

(\$ 9 ).

IT IS FURTHER AGREED, that in the event of any default by the Principal in the performance of any of his obligations required herein, the cash deposit or bonds shall, without any notice to or authority from the undersigned, be used by the City to complete the required work to the satisfaction of the Department of Building and Safety as provided in said municipal Code Section 91.7002 (C).

Principal #1 10 Principal #2 10  
Signature Signature

*(All signatures must be acknowledged before a Notary Public on a separate page.)* **11**

## FOR DEPARTMENT USE ONLY

Full Permit No. <b>12</b> _____	Legal description and ownership compared with the Grading Permit application and found to be identical. <b>13</b> By: _____ Plan Checker Signature	Approved as to Form _____- ____- 20
Date: <b>14</b> _____	Trust Fund Receipt No. _____	City Attorney By: _____ Deputy

Refund Demand No.: \_\_\_\_\_

Date: \_\_\_\_\_

## GRADING CASH BOND – EXECUTION GUIDE

Incomplete or incorrect bond will result in delay of processing your documents. To expedite processing of your bond, follow below guidelines. It is necessary to have your correct grading permit application and all information needed to execute the bond.

1. **Legal Address of property covered by this bond** – must match the address on the grading permit application
2. **Legal Description** – Tract, Block, Lot(s) – must match the grading permit application
3. **Date** – this is the effective date of the bond.
4. **Principal** – this is the property owner. Bond must be taken in the name of the **property owner(s)**. The property owner(s) on the grading permit application and the principal shown on the bond must be **identical**.

If the property is owned by two or more individuals, **all owners** must be on the bond. All owners must sign the bond with all signatures notarized on separate notary acknowledgment sheets.

If the property is under a Trust. Principal must be the name of the Trust. Example: The Doe Family Trust

Trustee must sign the bond and a copy of the Trust or Certificate of Trust must be provided. (Social security numbers should be redacted if shown.)

**Limited Liability Company, Partnerships, and Limited Partnerships** – an authorized person must sign the bond. Authority to sign must be verifiable through a copy of the Operating Agreement of the company.

Alternatively, in lieu of an Operating Agreement, **Secretary of State (SOS) Statement of Information** with an **active** status is acceptable. Signatory must be a **Manager or a Member** of the LLC or LP. Service of Process Agent, not acceptable as signatory.

**Joint Ventures** – **all persons** in the Joint Venture agreement must sign the bond. Authority to sign must be verifiable through a copy of the Joint Venture agreement.

**Corporations** – must have signatures from at least **two officers**. Officers holding more than one position may sign alone. Example of acceptable corporate signatories include: Chairman of the Board, President, Vice-President, Secretary or Assistant Secretary, Chief Financial Officer or Assistant Chief Financial Officer, Treasurer or Assistant Treasurer, et al.

An authorized agent may also sign for corporations, provided that a certified copy of the Board Resolution of the company is furnished, authorizing such person to execute the document on behalf of the corporation or sign alone.

Signatory name(s) and title(s) must be printed on the bond. **All signatures** must be notarized on separate notary acknowledgment sheets.

NOTE: Documents submitted to the City of Los Angeles are public records and will be available for public inspection and copying as required by law.

5. **Address** - this is the address of the Principal
6. **Email address** - this is the email address of the Principal
7. **Phone** – this is the telephone number of the Principal
8. **Mode of Payment** - Certified or Cashier's Check (payable to City of Los Angeles)
9. **Bond Amount** - written in words and \$ amount
10. **Principal Signature** - printed name and title, signature
11. **Notary Seal** – Notarial acknowledgment for Principal's signature

All signatures must be notarized on separate notary acknowledgment sheets. Providing just the notary seal or stamp is incomplete and not acceptable. The all-purpose acknowledgment wording, as prescribed in California Civil Code Section 1189(a), is mandatory for all acknowledgment taken in the state, whether the acknowledger is signing as an individual or a representative (partner, corporate officer, attorney-in-fact, trustee, etc.). The [certificate of acknowledgment \(pdf\)](#) must be in the form set forth in California Civil Code Section 1189.

Notarization is the final step in document execution, therefore **notarization date must be the same date as the effective date of the bond or later.**

12. **Permit Number** – Plan Check Engineer will be the one to write the grading permit number associated with the grading bond.
13. **Plan Checker Signature** – Plan Check Engineer to sign the bond confirming that the legal description and ownership compared with the grading permit application are identical.
14. **Date** – Plan Check Engineer to write the date he/or signed the bond



# GRADING PERMIT SURETY BOND

(EFFECTIVE 09/07/2025)

REV.: 09/25

Legal Address of property covered by this bond:

Address: 2

City: Zip:

Legal Description:

Tract: 3

Block: Lot(s):

KNOW ALL MEN BY THESE PRESENTS:

That we, 4

Address: 5 City: 5 Zip: 5

Email: 6 hereinafter called the "Principal", and  
(MAILING ADDRESS OF PRINCIPAL, INCLUDE ZIP CODE & EMAIL)

7  
a corporation, as surety, are held and firmly bound unto the CITY OF  
LOS ANGELES, a municipal corporation of the State of California in the sum of  
8, \$ 9, lawful money of the  
United States, for the payment of which will and truly to be made bind ourselves, jointly  
and severally, firmly by these presents.

Signed, sealed and dated this 10 day of 10, 20 10.

WHEREAS, an application by the above-named principal has been made to the Department of Building and Safety of the City of Los Angeles for the issuance, to said principal, of a permit to perform excavation and/or fill work within the City of Los Angeles more specifically described in the application for a Grading Permit, at the above location and owned by said principal, in accordance with the provisions of Article 1, Chapter 9 of the Los Angeles Municipal Code, and particularly Sections 91.7006.5.1 & 91.7006.5.4 thereof, and

WHEREAS, the Los Angeles Municipal Code Section 91.7006.5 requires as a condition precedent to the issuance of said permit that the principal shall furnish a bond in the sum above named to the City of Los Angeles, conditioned as hereinafter set forth:

NOW THEREFORE,

- (1) If the Principal shall well and truly comply with all of the requirements of Municipal Code Section 91.7006.5.5 and with all of the applicable provisions of Article 1, Chapter IX of said Code, and
- (2) If all work required to be done complies with all of the terms and conditions of the permit for excavation or fill to the satisfaction of the Department of Building and Safety, and completed within the time limit specified in the Grading Permit, then this obligations shall void; otherwise it shall remain in full force and effect.



# GRADING PERMIT SURETY BOND

(EFFECTIVE 09/07/2025)

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It is understood that the liability of the principal and surety upon this bond is a continuing obligation and shall be in effect from the date hereof until the completion, to the satisfaction of the Department of Building and Safety of all the terms and conditions of said Grading Permit, or in the event of a change in ownership prior to the completion of the grading work, than this obligation shall be void; otherwise to remain in full force and effect.

It is further understood that the time limit specified in the permit above mentioned, may be extended for good and sufficient cause by the Board of Building and Safety Commissioners. No such extension of time shall be valid unless the same be in writing and no such extension of time shall release the principal or surety from the obligation of this bond.

IN WITNESS WHEREOF the principal and surety caused this bond to be executed the day and year first above written.

Principal 11

Surety 12

Address of Surety Co. \_\_\_\_\_

**13** (This bond must be acknowledged hold as to principal and surety before a Notary Public on separate pages.)

## FOR DEPARTMENT USE ONLY

Full Permit No. 14 Legal description and ownership compared with the Grading Permit application and found to be identical. Approved as to Form

- - 20

BY: 15  
Plan Checker Signature

Date: 16

Receipt No. \_\_\_\_\_

City Attorney

By: \_\_\_\_\_  
Deputy



## GRADING SURETY BOND – EXECUTION GUIDE

Incomplete or incorrect bond will result in delay of processing your documents. To expedite processing of your bond, follow below guidelines. It is necessary to have your correct grading permit application and all information needed to execute the bond.

1. **Bond Number** – unique identifier issued by the surety company. This must appear on the first page of the bond
2. **Legal Address of property covered by this bond** – must match the address on the grading permit application
3. **Legal Description** – Tract, Block, Lot(s) – must match the grading permit application
4. **Principal** – this is the property owner. Bond must be taken in the name of the **property owner(s)**. The property owner(s) on the grading permit application and the principal shown on the bond must be **identical**.

If the property is owned by two or more individuals, **all owners** must be on the bond. All owners must sign the bond with all signatures notarized on separate notary acknowledgment sheets.

If the property is under a Trust. Principal must be the name of the Trust. Example: The Doe Family Trust

Trustee must sign the bond and a copy of the Trust or Certificate of Trust must be provided. (Social Security numbers should be redacted if shown).

**Limited Liability Company, Partnerships, and Limited Partnerships** – an authorized person must sign the bond. Authority to sign must be verifiable through a copy of the Operating Agreement of the company.

Alternatively, in lieu of an Operating Agreement, **Secretary of State (SOS) Statement of Information** with an **active** status is acceptable. Signatory must be a **Manager or a Member** of the LLC or LP. Service of Process Agent, not acceptable as signatory.

**Joint Ventures** – **all persons** in the Joint Venture agreement must sign the bond. Authority to sign must be verifiable through a copy of the Joint Venture agreement

**Corporations** – must have signatures from at least **two officers**. Officers holding more than one position may sign alone. Example of acceptable corporate signatories include: Chairman of the Board, President, Vice-President, Secretary or Assistant Secretary, Chief Financial Officer or Assistant Chief Financial Officer, Treasurer or Assistant Treasurer, et al.



An authorized agent may also sign for corporations, provided that a certified copy of the Board Resolution of the company is furnished, authorizing such person to execute the document on behalf of the corporation or sign alone.

Signatory name(s) and title(s) must be printed on the bond. All signatures must be notarized on separate notary acknowledgment sheets.

NOTE: Documents submitted to the City of Los Angeles are public records and will be available for public inspection and copying as required by law.

- 5. Address** - this is the address of the Principal
- 6. Email address** - this is the email address of the Principal
- 7. Surety Company** - name of the surety company that guarantees that the Principal will carry-out obligation to the City of Los Angeles
- 8. Bond Amount** - written in words
- 9. Bond Amount** – written in numbers (\$)
- 10. Date** – this is the effective date of the bond
- 11. Principal Name/Signature** - Printed Name and Title, Signature
- 12. Surety Information/Signature** – Surety, Address, Name of Attorney-In-Fact, Signature
- 13. Notary Seal/Stamp** - Notarial acknowledgment for Principal and Attorney-In-Fact Signatures

All signatures must be notarized on separate notary acknowledgment sheets. Providing just the notary seal or stamp is incomplete and not acceptable. The all-purpose acknowledgment wording, as prescribed in California Civil Code Section 1189(a), is mandatory for all acknowledgment taken in the state, whether the acknowledger is signing as an individual or a representative (partner, corporate officer, attorney-in-fact, trustee, etc.). The [certificate of acknowledgment \(pdf\)](#) must be in the form set forth in California Civil Code Section 1189.

**Notarization is the final step in document execution, therefore notarization date must be the same date as the effective date of the bond or later.**

**Surety Power of Attorney – must accompany the surety bond**

- 14. Permit Number** – Plan Check Engineer will be the one to write the grading permit number associated with the grading bond
- 15. Plan Checker Signature** – Plan Check Engineer to sign the bond confirming that the legal description and ownership compared with the grading permit application are identical.
- 16. Date** – Plan Check Engineer to write the date he/or signed the bond