

APPENDIX 3.000

GUARANTEE OF COMPLETION

General

A3.001 Guarantee of Completion and Warranty Guarantee

A3.002 Noncompliance with Obligation

A3.003 Insufficiency of Guarantee of Completion and Warranty Guarantee

General

A3.001 Guarantee of Completion and Warranty Guarantee

When the applicant has an obligation to furnish a guarantee of completion a guarantee(s) of completion shall be provided prior to the issuance of the associated permit(s) or the start of construction of privately financed public improvements. The guarantee(s) required by this section or any other section of this code shall be in the form of a bond, or other security acceptable to the Manager. The Manager may elect to accept a guarantee of completion that covers more than one obligation. Upon acceptance by the City, the guarantee of completion shall be released or returned.

A3.002 Noncompliance with Obligation

If the work or any portion of the work guaranteed is not completed in accordance with applicable requirements within the period specified, the guarantee may be used by the City to complete the work and cover City costs.

A3.003 Insufficiency of Guarantee of Completion and Warranty Guarantee

- A. If a guarantee of completion required by this code is not sufficient to compensate the City for expenses necessary to fulfill the obligation, the amount due to the city for the obligation shall become a lien in favor of the City upon the real property subject to the obligation.
- B. The lien attaches upon the entry in the city records of the claim notice. The notice shall state the amount due, demand payment, allege the insufficiency of the guarantee of completion to compensate the city fully for the expense of the fulfillment of the obligation, and allege the applicant's failure to meet the obligation.
- C. The lien may be foreclosed in the manner prescribed by law for foreclosing other liens on real property.

