

## **PERFORMANCE GUARANTY (MUD BOND)**

### **RESIDENTIAL PERMITS**

The performance guaranty, while like the mud bond, will need to be submitted before a permit is issued. It will operate on a tiered structure, linking the bond's value to the scale (and consequently the probable extent of disturbance) of a builder's project.

Every builder seeking residential building permits in the City must furnish a yearly performance guarantee, (effective from the 1st of Year to the 1st of the next Year), proportional to their activity within the City. This activity level will be assessed based on the anticipated work level for the year, compared to the previous year's work level for fairness. The higher of the two figures will be used to determine the requisite guarantee for that specific year.

Guaranty levels, based upon activity, are broken down as follows:

BUILDING PERMITS	GUARANTY AMOUNT REQUIRED
0-9	\$2,500
10-19	\$5,000
20-29	\$10,000
30+	\$25,000

### **ALL OTHER CONSTRUCTION ACTIVITY PERMITS**

For all other activity types, that formerly required a Mud Bond, the required bond amount will be dependent upon the project acreage. The required bond amount will be in the amount of \$2,500 per acre, up to a maximum bond of \$62,500. Project acreage will be rounded up to the nearest acre.

*e.g. A 0.3-acre site, rounded to 1 acre, would require a \$2,500 Performance Guaranty.*

*e.g. A 9.7-acre site, rounded to 10 acres, would require a \$25,000 Performance Guaranty.*

This guaranty, although like a standard Mud Bond, extends beyond protection requirements for public streets and public sidewalk, and provides a guaranty on the functionality of the site's complete, approved erosion and sediment control plan.