



Chapters 31 and 32 of the Phoenix City Code mandate that the customer provide an "assurance" of construction to the City of Phoenix. The assurance guarantees that improvements will be installed in accordance with approved plans and that the customer will provide record drawings. The secured amount is determined by the customer's civil engineer and approved by the Planning & Development Department, pursuant to the current Fee Schedule in Chapter 9, Appendix A.2. of the Phoenix City Code.

Posting of construction assurances is a pre-condition to obtaining final construction plan approval and release of right-of-way construction permits. Posting of construction assurances is also a pre-condition for final approval of site plans, subdivision plats, abandonments, lot divisions, offsite improvements compliance, plat recording, and related development activities.

If a customer defaults, some forms of construction assurance may be used to complete the improvements, while other methods stop the project and/or deny occupancy.

ASSURANCE INSTRUMENTS ACCEPTED

Cash

Cash/check shall be deposited with the Planning & Development Department in an amount equal to the cost of the work to be done in the right-of-way. Upon permit acceptance by the offsite inspector and submittal of required as-built plans, the cash bond will be refunded. Allow six to eight weeks for the refund to be processed.

40 U.S.C. Chapter 31 Performance Bond (TRT 00452)

Bond shall be executed with a corporation accepted by the Planning & Development Department and duly authorized to transact surety business in the State of Arizona. Bond shall be in an amount equal to the cost of the work to be done in the right-of-way. Upon permit acceptance by the offsite inspector and submittal of any required as-built plans, the bond will be returned to the bond/insurance company. Allow four weeks for release.

Letter of Credit (TRT 00642)

This "Letter" may be acquired from a customer's bank and form approved by the Planning & Development Department. The letter shall specify an amount equal to the cost of the work to be done in the right-of-way. Upon permit acceptance by the offsite inspector and submittal of any required as-built plans, the letter will be returned to the issuing bank. Allow two weeks for the initial approval and final release process.

Occupancy Clearance Agreement (TRT 00128)

At the discretion of the Planning & Development Department, the "Agreement" is an acceptable form of assurance on those projects involving building construction. The agreement form may be acquired through Planning & Development. An officer of the company or an authorized representative of the developer/owner must sign the form. This agreement withholds final utility clearance, thus withholding occupancy of the building(s). Upon permit acceptance by the offsite inspector and submittal of any required as-built plans, the "hold" can be released within one week. This agreement is attached to the parcel, and subsequent owners are subject to its provisions.

Additional questions regarding bonding requirements may be addressed to the Planning & Development Department Financial Services Section, pdd.financial.services@phoenix.gov or the Civil Permits, Water Services and Addressing Counter at pdd.cws.permits@phoenix.gov