



CITY OF ARCADIA

Building Services Division
240 W Huntington Drive
Arcadia, CA 91007
(626) 574-5416
www.ArcadiaCA.gov

OWNER BUILDER		
BD SECTION	10 FORM NUMBER	2022 CODE CYCLE
01/01/2023 EFFECTIVE DATE		5/18/2023 REVISION DATE

NOTICE TO PROPERTY OWNER

Dear Property Owner:

An application for a building permit has been submitted in your name listing yourself as the builder of the property improvements specified at:

We are providing you with an Owner-Builder Information and Verification Form to make you aware of your responsibilities and possible risk you may incur by having this permit issued in your name as the Owner-Builder.

We will not issue a building permit until you have read, initialed your understanding of each provision, signed, and returned this form to us at our official address indicated above.

OWNER'S ACKNOWLEDGMENT / VERIFICATION OF INFORMATION DIRECTIONS:

Read and initial each statement below to signify you understand or verify this information.

- ___ 1. I understand a frequent practice of unlicensed persons is to have the property owner obtain an "Owner-Builder" building permit that erroneously implies that the property owner is providing his or her own labor and material personally. I, as an Owner-Builder may be held liable and subject to serious financial risk for any injuries sustained by an unlicensed person and his or her employees while working on my property. My homeowner's insurance may not provide coverage for those injuries. I am willfully acting as an Owner-Builder and am aware of the limits of my insurance coverage for injuries to workers on my property.
- ___ 2. I understand building permits are not required to be signed by property owners unless they are responsible for the construction and are not hiring a licensed Contractor to assume this responsibility.
- ___ 3. I understand that as an "Owner-Builder" I am the responsible part of record on the permit. I understand that I may protect myself from potential financial risk by hiring a licensed Contractor and having the permit filed in his or her name instead of my own.
- ___ 4. I understand Contractors are required by law to be licensed and bonded in California and to list the license numbers on permits and contracts.
- ___ 5. I understand if I employ or otherwise engage any persons, other than California licensed Contractors, and the total value of my construction is at least five hundred dollars (\$500), including labor and materials, I may be considered an "employer" under state and federal law.
- ___ 6. I understand if I am considered an "employer" under state and federal law, I must register with the state and federal government, withhold payroll taxes, provide workers' compensation disability insurance, and contribute to unemployment compensation for each "employee." I also understand that my failure to abide by these laws may subject me to serious financial risk.

- ___ 7. I understand under California Contractors' State License Law, an Owner-Builder who builds single-family residential structures cannot legally build them with the intent to offer them for sale, unless all work is performed by licensed subcontractors and the number of structures does not exceed four within any calendar year, or all of the work is performed under contract with a licensed general building Contractor.
- ___ 8. I understand as an Owner-Builder if I sell the property which this permit is issued, I may be held liable for any financial or personal injuries sustained by any subsequent owner(s) that result from any latent construction defects in the workmanship or materials.
- ___ 9. I understand I may obtain more information regarding my obligations as an "employer" from the Internal Revenue Service, the United States Small Business Administration, the California Department of Benefit payments, and the California Division of Industrial Accidents. I also understand I may contact the California Contractors' State License Board (CSLB) at 1-800-321-CSLB (2752) or www.cslb.ca.gov for more information about licensed contractors.
- ___ 10. I am aware of and consent to an Owner-Builder building permit applied for in my name, and understand that I am the party legally and financially responsible for proposed construction activity at the following address:
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- ___ 11. I agree that, as the party legally and financially responsible for this proposed construction activity, I will abide by all applicable laws and requirements that govern Owner-Builder as well as employers.
- ___ 12. I agree to notify the issuer of this form immediately of any additions, deletions, or changes to any of the information I have provided on this form.

Licensed contractors are regulated by laws designed to protect the public. If you contract with someone who does not have a license, the Contractors' State License Board may be unable to assist you with any financial loss you may sustain as a result of a complaint. Your only remedy against unlicensed Contractors may be in civil court. It is also important for you to understand that if an unlicensed Contractor or employee of that individual or firm is injured while working on your property, you may be held liable for damages. If you obtain a permit as Owner-Builder and wish to hire Contractors, you will be responsible for verifying whether or not those Contractors are properly licensed and the status of their workers' compensation insurance coverage.

Before a building permit can be issued, this form must be completed and signed by the property owner and returned to the agency responsible for issuing the permit.

Signature of property owner: _____ Date: _____



Owner-Builder Information

“Owner-Builder” describes a situation where the property owner is considered to be the contractor. It applies when the owner obtains and signs the City’s permit and employs subcontractors or even does some or all of the work. As an Owner-Builder, the property owner (not the person doing the work) assumes full responsibility for the overall job.

As an Owner-Builder the property owner becomes an employer if he or she employs any unlicensed person other than immediate family and the project value of the work, including labor and material, is \$500.00 or more.

The owner’s responsibilities as an employer may include such things as state and federal taxes and works’ compensation insurance. Without proper insurance the property owner may be liable for injuries and rehabilitation of a worker who is injured while working on the owner’s property. Also, the owner may be required to hire various subcontractors for the project, which may include such tasks as scheduling and supervising their work and the job.

Contractors are required by law to be licensed and bonded by the State of California. In addition, the City of Arcadia requires that contractors have a City business license. Further, the contractor is required to write their license number on the permit and certify on the permit application that he or she has workers compensation insurance or is exempt from the state workers compensation laws.

By signing a building permit application as an Owner-Builder, the property owner assumes full responsibility for all phases of the project and its integrity.

The best protection is to hire a licensed and experienced general contractor who obtains and signs the City’s permit application and hires licensed and knowledgeable tradespersons and subcontractors.

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