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OWNER BUILDER PERMIT APPLICATION FORMS

ATTENTION PROPERTY OWNERS

APPLICATION FOR A BUILDING PERMIT PLACES CERTAIN LEGAL REQUIREMENTS AND SIGNIFICANT RISK ON YOU AND YOUR PROPERTY WHEN YOU ACT AS AN OWNER BUILDER. REVIEW ALL INFORMATION BELOW AND ON THE FOLLOWING PAGES CAREFULLY BEFORE YOU SIGN. BE CERTAIN YOU KNOW YOUR LEGAL RIGHTS AND RESPONSIBILITIES.

OWNER-BUILDER OVERVIEW

This section provides answers to questions regarding owner-builder and briefly describes the laws surrounding the practice.

WHO IS CONSIDERED AN OWNER-BUILDER?

Any individual or group of individuals who own the property on which they plan to construct, alter, repair, improve, or remodel a building or structure is considered an owner-builder. Additionally, a tenant may be considered an owner-builder (case by case).

IS AN OWNER-BUILDER REQUIRED TO HAVE A LICENSE?

An owner-builder is exempt from licensure, but there are limitations.
A license is not required if.

- The owner-builder does the work himself/herself or through his or her own employees with wages as their sole compensation and the structure(s) is/are not intended for sale
- The owner-builder contracts with a properly licensed subcontractor(s). (This exemption applies to the construction of a single-family residential structure and limits the number of structures intended or offered for sale to four or fewer in a calendar year.)
- The owner-builder contracts with a general Building (B) contractor. (The number of structures is then unlimited)

IS A HOMEOWNER REQUIRED TO OBTAIN A LICENSE IF HE/SHE WANTS TO IMPROVE HIS/HER HOME?

A homeowner improving his/her principal place of residence is exempt from licensure if all of the following exist:

- The work is performed prior to sale;
- The homeowner resides in the residence for the 12 months prior to completion of work; and the homeowner has not taken advantage of this exemption on more than two structures during any three-year period.

ARE THERE ANY TRADES THAT PROPERTY OWNERS ARE PROHIBITED FROM PERFORMING THEMSELVES?

Property owners are prohibited from performing well-drilling work covered under the Well Drilling (C-57) classification.

DOES THE OWNER-BUILDER EXEMPTION APPLY TO AN INDIVIDUAL WHO BUILDS HOMES FOR RESALE (SPEC HOMES) AND ARE THERE ANY LIMITATIONS?

Yes.

The owner-builder exemption would apply to an individual who builds homes for resale under any of the following conditions:

- Licensed tradesmen are hired to perform all work on the project (provided no more than four structures per calendar year are intended for resale).
- A licensed general contractor is hired to perform and/or subcontract the completion of all work on the project. (No restrictions on the number of structures completed per calendar year).
- The owner-builder performs the work, all or in part, and resides in the completed structure for one year prior to resale. (Applies to not more than two structures in a three-year period.)

(For more information regarding owner-builder, see Section 7044 of the business and Professions Code or The Risks of Being an Owner-Builder under the "Consumers" section of this website)

PERMIT APPLICATION: OWNER-BUILDER

Permit Number _____

Owner's Name _____

Property Owner's phone No _____

Property Owner's email address _____

Property Location or Address _____

Applicant's Mailing Address _____

Licensed Design Professional (Architect or Engineer) in charge of project _____

WORKERS' COMPENSATION DECLARATION

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

I hereby affirm under penalty of perjury one of the following declarations:

() I have and will maintain a certificate of consent to self-insure for workers' compensation issued by the Director of Industrial Relations as provided for by Section 3700 of the Labor Code, for the performance of the work for which this permit is issued.

Policy No. _____

() I have and will maintain workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the work for which this permit is issued. My workers' compensation insurance carrier and policy number are:

Carrier _____

Policy Number _____

Expires _____

() I certify that, in the performance of the work for which this permit is issued, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California and agree that, if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions.

Date _____

Signature of Property Owner or Authorized Agent _____

DECLARATION REGARDING CONSTRUCTION LENDING AGENCY

I hereby affirm under penalty of perjury that there is a construction lending agency for the performance of the work for which this permit is issued (Section 3097, Civil Code).

Lender's Name _____

Lender's Address _____

NOTE: If not applicable, then mark N/A

OWNER-BUILDER APPLICANT

I certify to each of the following:

I am the property owner or authorized to act on the property owner's behalf.

I have read this application and the information I have provided is correct.

I agree to comply with all applicable city and county ordinances and state laws relating to building construction.

I authorize representatives of this city or county to enter the above-identified property for inspection purposes.

Date _____

Signature of Property Owner or Authorized Agent _____

AUTHORIZATION FOR AN AGENT TO ACT ON PROPERTY OWNER'S BEHALF

Excluding the Notice to Property Owner, the execution of which I understand is my personal responsibility, I hereby authorize the following person(s) to act as my agent(s) to apply for, sign, and file the documents necessary to obtain an Owner-Builder Permit for my property.

NOTE: Authorization for an agent to be completed only if the listed property owner(s) will not be present at time of the permit issuance. A photocopy of the owner(s) driver's license is required to verify authorizing signature.

Scope of Construction Project (or Description of Work) _____

Project Location or Address _____

Name of Authorized Agent _____

Address of Authorized Agent _____

Phone Number of Authorized Agent _____

I declare under penalty of perjury that I am the property owner for the address listed above and I personally filled out the above information and certify its accuracy.

Date _____

Property Owner's Authorizing Signature _____

OWNER-BUILDER DECLARATION

I hereby affirm under penalty of perjury that I am exempt from the Contractor's State License Law for the reason(s) indicated below by the check mark(s) I have placed next to the applicable item(s) (Section 703.5, Business and Professions Code: Any city or county that requires a permit to construct, alter, improve, demolish, or repair any structure, prior to its issuance, also requires the applicant for the permit to file a signed statement that he or she is licensed pursuant to the provisions of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code) or that he or she is exempt from licensure and the basis for the alleged exemption. Any violation of Section 703.5 by any applicant for a permit subjects the applicant to a civil penalty of no more than five hundred dollars (\$500).):

I, as owner of the property, or my employees with wages as their sole compensation, will do all of or portions of the work, and the structure is not intended or offered for sale (Section 7044, Business and Professions Code: The Contractors' State License Law does not apply to an owner of property who, through employees' or personal effort, builds or improves the property, provided that the improvements are not intended or offered for sale. If, however, the building or improvement is sold within one year of completion, the Owner-Builder will have the burden of proving that it was not built or improved for the purpose of sale.)

I, as owner of the property, am exclusively contracting with licensed Contractor to construct the project (Section 7044, Business and Professions Code: The Contractors' State License Law does not apply to an owner of property who builds or improves thereon, and who contracts for the projects with a licensed Contractor pursuant to the Contractors' State License Law.)

I am exempt from licensure under the Contractors' State License Law for the following reason:

By my signature below, I acknowledge that, except for my personal residence in which I must have resided for the last one year prior to completion of the improvements covered by this permit, I cannot legally sell a structure that I have built as an owner-builder if it has not been constructed in its entirety by licensed contractors. I understand that a copy of the applicable law, Section 7044 of the Business and Professions Code, is available upon request when this application is submitted or at the following Web site:

<http://www.leginfo.ca.gov/calaw.html>

Date
Signature of Property Owner or Authorized Agent

Printed Name

When the Owner-builder Declaration is executed, a Notice to Property Owner shall also be executed by the property owner. See next page of this application document for the 'Notice to Property Owner'.

The Notice to Property Owner shall be provided to the applicant by one of the following methods chosen by the permitting authority: regular mail. Electronic format, or give directly to the applicant at the time the application for the permit is made.

Except as otherwise provided the Notice to Property Owner pursuant to this section shall be completed and signed ONLY by the property owner and returned prior to issuance of the permit.

A permit shall not be issued unless the property owner complies with this 'Notice to Property Owner' section on the next page of the application document.

Only check on item in the above section.

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 the following address: _____

We are providing you with an Owner-Builder Acknowledgment and Information 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. *An agent of the owner cannot execute this notice.*

OWNER'S ACKNOWLEDGMENT AND VERIFICATION OF INFORMATION

An agent of the owner shall not execute this notice.

DIRECTIONS: *Read and initial each statement below to signify that 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 as an "Owner-Builder" I am the responsible party 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 their 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 (\$500.00), 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 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 of offer them for sale, unless all work is performed by licensed subcontractor 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 for 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 address indicated above.

__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-Builders 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