

# CITY OF NEWPORT BEACH COMMUNITY DEVELOPMENT DEPARTMENT BUILDING DIVISION

100 Civic Center Drive | P.O. Box 1768 | Newport Beach, CA 92658-8915 www.newportbeachca.gov | (949) 644-3200

# **OWNER-BUILDER DECLARATION**

Dear Property Owner:

Please read and agree to the following:

I hereby affirm under penalty of perjury that I am exempt from the Contractors' State License Law for the reason(s) indicated below (Section 7031.5 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 the Divison 3 of the Business and Professions Code) or that he or she is exempt from licensure and the basis for alleged exemption. Any violation of Section 7031.5 by any applicant for a permit subjects the applicant to a civil penalty of not more than five hundred dollars (\$500).

I, as the owner of the property, or my employees with wages as their sole compensation, will do all 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 completions, the Owner-Builder will have the burden of proving that it was not built or improved for the purpose of sale).

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 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.

## OWNER-BUILDER ACKNOWLEDGEMENT AND INFORMATION VERIFICATION (HSC 19825)

### 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 for the address you have indicated on your application.

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.

#### **OWNER'S ACKNOWLEDGMENT AND VERIFICATION OF 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. 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.
- 2. 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.
- 3. I understand Contractors are required by law to be licensed and bonded in California and to list their license numbers on permits and contracts.
- 4. 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.
- 5. 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.
- 6. I understand under California Contractors' State License Law, an Owner-Builder who builds singlefamily 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.
- 7. 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.
- 8. 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.
- 9. 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:
- 10. 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.
- 11. 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.
- 12. 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 acknowledged and accepted by the property owner on-line.