



Site Improvements

The Brainerd City Council adopted a policy (October 2008) regarding site work not completed prior to occupancy of both residential and commercial projects. The policy specifies that prior to occupancy **all site improvements** are required to be completed or a financial guarantee provided in an amount sufficient to cover the cost of the work. Financial guarantees equal to 100% of the work in the form of an irrevocable letter of credit, surety bond or a check that will be deposited into the city account are acceptable. The financial guarantee must be accompanied by bids or quotes for 100% of the cost for material and labor from the party that will be performing the work.

Examples of the types of improvements that may not be completed and for which a financial guarantee will be required are landscaping and screening requirements, parking lot/driveway surfacing, storm water management requirements, and conditions associated with a conditional use permit or an approved variance. The policy does not include Building Code and Fire Code requirements which must be satisfied before occupancy.

Financial Guarantee Methods

1. **Irrevocable Letter of Credit**. A Letter of Credit from a bank or lending institution in the amount of the improvement(s). The letter shall be valid for 60 days beyond the agreed date when all work is to be completed. This provides the City of Brainerd the opportunity to use the letter in the event the work is not completed.
2. **Company Check**. The check would be deposited into the City's account. When the work is completed, a check will be issued by the City to reimburse the company that provided payment for the completed work
3. **Performance Bond**. A performance bond is a surety bond issued by an insurance company or a bank to guarantee satisfactory completion of a project by a contractor.

The City Council has mandated that there will be no exceptions to issuing a Certificate of Occupancy until all work is completed.