Subject: Streamlined Bond Reduction Process Date: 05/13/2025 No.: 25-03

**Summary:** This technical bulletin outlines changes in the requirements for submitting bond reduction requests.

**Background:** Bond reductions allow project developers to decrease the original bond amount posted with the county based on the work completed. Developed in collaboration with industry professionals, these updates enhance efficiency, predictability, and transparency for developers, contractors and county staff; Land Development Services (LDS) has refined our requirements to create a more efficient and predictable process. The improvements aim to save time, reduce resubmissions, and ensure a smoother experience for all involved. Applicants are encouraged to review the updated bond reduction materials and engage with the assigned Site Development Inspections Division (SDID) inspector early in the process.

**Effective Date:** This new requirement will be voluntary from the date of this publication. Beginning July 1, 2025, compliance with this process will be mandatory.

**Requirement:** To expedite reviews and minimize revisions, LDS now requires a pre-bond reduction meeting between the applicant and the assigned SDID inspector. This meeting between the assigned SDID inspector and the submitting engineer must occur before formal submission for bond reduction. The meeting provides an opportunity to:

- Discuss the proposed bond reduction to ensure that both the county and the submitting engineer concur with the approach.
- Review the draft bond reduction request to minimize any confusion about the request and what the county will allow.
- Conduct a joint site inspection, if deemed necessary by LDS staff.

Meetings may be held on-site or virtually. Applicants should contact their assigned SDID site inspector directly to request the meeting. Inspectors will schedule the meeting or discussion within one week of the request.

**Important:** Because the pre-bond reduction meeting is critical to facilitate this revised process, bond reduction requests will not be accepted by the Bonds and Addressing Center (BAC) unless this meeting has taken place. The meeting date must be included on the first page of the Surety Value Estimate (SVE), provided with the bond reduction submission in PLUS.

## **Updated Bond Reduction Thresholds and Requirements**

To further clarify and standardize the process, LDS has issued new guidance regarding bond reduction eligibility and thresholds:

- Minimum total reduction request: 30% of the total bonded amount
- Maximum total reduction request: 90% of the total bonded amount
- Line-item reductions must follow these completion thresholds: 25%, 50%, 75%, and 100%

A detailed table outlining requirements for each item provided on the SVE form is now available on the <u>Bond Reduction Milestones Website</u>. Any bonded items not listed in the published guidance should be reviewed with the SDID inspector during the pre-bond reduction meeting. Updated resources, including the milestone guidelines and required forms, are available at the <u>LDS Bonds</u> website.

If you have any questions, please contact <a href="mailto:ldssdidadmin@fairfaxcounty.gov">ldssdidadmin@fairfaxcounty.gov</a> in the Land Development Services Division at **703-324-1720**, **TTY 711** 

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