

## MANAGING YOUR PROJECT

**Rehabilitating, reconstructing, and/or elevating your home is a major construction event and there are many things you should understand and discuss with your contractor at the initial stages and throughout the construction process. Here are some suggested ways to effectively manage your construction project:**

### CHOOSING YOUR CONTRACTOR

- **Qualified Contractors** – You can obtain a list of RREM contractors that have been previously approved by DCA to provide homebuilding services at [www.renewjerseystronger.org](http://www.renewjerseystronger.org). These contractors may be available to provide construction services as well. All contractors (including those on the website) must be validated through the RREM Program Contractor Validation process which includes having a valid home improvement license and/or new home building registration with the state of New Jersey and being in good standing (not debarred) to work with the State and Federal government. Not all contractors are licensed for all construction activities, so be sure you verify your contractor's NJ State-regulated qualifications.
- **Bids** – Before you choose your contractor, contact a few (at least 3) reputable contractors and request them to provide a written bid to do the work on your home. Use the Estimated Cost of Repair (“ECR”) that was provided by the RREM Program as the basis for what repairs are needed to meet RREM Program requirements. Make sure when reviewing bids that the bidders did not exclude any required work in their quote, including providing design plans, securing building permits, and obtaining zoning variances if needed. Consider their reputation, experience, timeframe to begin and complete projects, responsiveness, financial strength, and construction knowledge. Do not hire a contractor who gives you a bid without visiting the site. And be careful about hiring a contractor who provides a really low bid – they may want to request change orders to the scope of work later.
- **Contractor References** – Before you sign your construction contract, check references! Ask your neighbors or others who have repaired or rebuilt their homes. Ask for addresses of previous projects – drive by and look at them. If your contractor is reputable, he will provide references.

### CONTRACTOR MANAGEMENT & OVERSIGHT

- **Estimated Cost of Repair/Scope of Work** – Work items captured in your Homeowner ECR/SOW report must be completed before the Final Inspection.
- **Construction Contract** – You are required to have a detailed written construction contract with your contractor. The contract should contain or reference your agreed-upon scope of work, price, construction schedule, payment schedule, payment of subcontractors, start and end date, move-out and move-in date, warranty information, insurance requirements, utility disconnections/reconnections, material/appliance selections, duty of contractor to perform work in a workmanlike manner, and contact information.

- **Contractor Addendum** – Your contractor must review and sign the RREM Program Contract Addendum. The Contractor Addendum will inform your Contractor on Program compliance requirements and to ensure the final inspection standards are satisfied.
- **Deposits and Payments** – Your contractor may request a deposit to sign a contract or to book a date for construction to begin. Discuss this prior to signing your contract. After this, typically payment is only made after work is performed, materials installed (not only delivered), after final inspection by municipality and receipt of CO, or equivalent. It is advisable that you get a copy of the insurance certificates that your contractor has that insures your home in case of damages during construction. This would include insurance for the periods when your home is being lifted or is up on cribbing.
- **Warranties** – Be sure to request details of the final warranty provisions in writing before you sign your construction contract. Get and retain a copy of all of the manufacturer warranties for any new appliances, plus the construction warranty for the work your contractor performed.

## COMPLETING YOUR CONSTRUCTION

- **Homeowner Selections** – Be sure to make all of your homeowner selections (colors, paint, siding, flooring, cabinets, etc.) in writing. Keep a copy of these for your records.
- **Contact Information** – Make sure that you have the phone numbers and contact information for the Construction Superintendent that will be overseeing the work to be done on your home. Set up a schedule to talk or meet each week.
- **Oversight** – Ask your Superintendent to provide you with a weekly update on the status of your project. You should also check with your local municipality and/or utility company on a regular basis to make sure that any building/zoning permit approvals or utility work orders are progressing through their processes in a timely manner.
- **Photographs** – Take and retain pictures of the weekly progress on your home or have your contractor submit photographs of work completed with invoices submitted.
- **Schedule visits with your contractor to observe the progress of the construction** – You will need to observe from a distance. Do not go near the construction area as this can be hazardous.
- **Project Assistance** – If you have need additional assistance regarding program requirements for rehabilitating or reconstructing your home, contact your RREM Project Manager.
  - Additionally, you may contact the Long Term Recovery Case Managers in your County for help with understanding your construction contract prior to signing and releasing a deposit to your builder. Your Housing Advisor or RREM Project Manager can provide these contact resources to you upon request.