



Mandatory Contractor Addendum Form

RECONSTRUCTION, REHABILITATION, ELEVATION, AND MITIGATION (RREM) PROGRAM

APPLICANT INFORMATION			
APPLICANT NAME:	RREM ID#:	DATE:	ENV. CLEARANCE DATE:


DAMAGED PROPERTY INFORMATION		
ADDRESS:	MUNICIPALITY:	GRANT AWARD DATE:

Purpose: This Contractor Addendum form is designed to protect the Homeowner and the New Jersey Department of Community Affairs by ensuring that Contractors understand and follow the mandated, federal processes in order to ensure construction meets program standards, is eligible for payment via RREM funding and avoids potential forfeiture of RREM grant money.

Instructions: Completion and execution of this form is a mandatory condition in order for Homeowner to accept a RREM Program grant award when using a General Contractor to complete remaining construction. This form helps ensure that contractors performing construction after a Homeowners' date of environmental clearance are aware of and agree to comply with applicable Federal requirements and rules within the RREM Program. If the Homeowner is using a General Contractor, that firm must sign this document and will be responsible for ensuring compliance by its subcontractors with the requirements set forth herein. The General Contractor must execute this Addendum in order for Homeowner to be considered eligible to receive construction disbursements from the RREM Program. Homeowners with construction remaining to be completed but no remaining RREM grant funding must also execute th






is Addendum in order for the program to release the restrictive covenant filed against the property. The signed Addendum must be completed and submitted by the Homeowner to their RREM Project Manager

THE UNDERSIGNED hereby certifies that he/she has examined the following acknowledgments and is authorized and empowered to execute this Addendum as the owner, partner, or officer as the case may be, of the contractor named below (hereinafter "Contractor") employed in connection with the construction project (the "Project") mentioned below:

Contractor Initial	Acknowledgments
	<p>1. <i>Date of Enforcement</i></p> <p>Contractor understands that work completed by the Contractor and any of its subcontractors after Homeowner's date of environmental clearance must comply with all RREM program requirements and standards, as indicated in this Addendum in order to be considered eligible for payment via RREM Program funding. Homeowner's date of environmental clearance is _____.</p>
	<p>2. <i>Licensed and not debarred.</i></p>




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	<p>Contractor must be properly licensed for the type of construction being performed and in good standing with the State of New Jersey and Federal government to undertake construction work. Contractor is responsible for ensuring all subcontractors are in compliance with this requirement. All licenses must be current and furnished on request. The RREM Program <u>will not</u> process disbursements to the Homeowner until the RREM Project Manager has validated that the Contractors are properly licensed and not on the federal or state debarment lists.</p>
	<p><i>3. Insurance.</i></p> <p>All contractors must have general liability insurance (minimum \$500,000). The contractor must provide documentation of this insurance to Homeowner. For Home Improvement Contractors, the following are recommended: builders risk insurance (recommended equal to at least the amount of the construction contract), workers compensation insurance (recommended for all employees performing work on site), commercial auto liability insurance, and no-fault insurance. For Home Elevation Contractors, additional requirements can be found on the New Jersey Division of Consumer Affairs, Home Elevation Regulations:</p> <p>http://www.njconsumeraffairs.gov/hec/Pages/regulations.aspx</p> <p>Applicable insurance requirements take effect from the date the contractor addendum is executed.</p>
	<p><i>4. Specifications in Estimated Cost to Repair (ECR)</i></p> <p>If performing rehabilitation and/or elevation work, Contractor will review Homeowner's <i>Estimated Cost to Repair</i> (ECR) prepared by the RREM Program, and will ensure remaining construction meets or exceeds specifications listed in the ECR. If scope items listed in the ECR are already completed in conformance with the ECR, Contractor is not responsible for these specified items.</p>
	<p><i>5. Environmental/historic review requirements.</i></p> <p>Contractor has reviewed a copy of the Homeowner's Tier II Environmental Review report prepared by the RREM Program and agrees to comply with all environmental/historic review construction requirements listed in the <i>Conditions for Approval</i>.</p>
	<p><i>6. Lead-based paint requirements.</i></p> <p>For properties built prior to 1978 being rehabilitated and/or elevated, where it has been determined that lead-based paint is present, Contractor and all its subcontractors must be a Lead-Safe EPA Certified Renovation firm employing lead-safe work practices when completing rehabilitation and comply with the EPA Renovation, Repair and Painting (RRP) rule. If the property has lead paint hazards, Contractor must use a New Jersey State-Certified Lead Abatement Contractor to conduct abatement activities to facilitate the permanent removal, encapsulation or containment of the lead hazards, in compliance with the HUD Lead Safe Housing Rule, and obtain a third-party independent interim lead clearance prior to completing the remaining renovations. The contractor completing the abatement cannot be the contractor that performed the Lead Risk Assessment. Contractor will use the Lead Risk Assessment and Estimated Cost to Repair (ECR) determined by the RREM Program when determining the necessary lead-based paint hazard reduction measures to be performed, or presume the presence of lead-based paint in the absence of receipt of said documents Upon completion of</p>

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	<p>construction, Contractor is responsible to obtain a third party lead-based paint clearance examination and furnish documentation of said examination to the Homeowner.</p>
	<p><i>7. Asbestos requirements</i></p> <p>Contractor will review the asbestos survey performed by the RREM Program and properly remove and dispose of any asbestos which is friable or will be disturbed by renovation or demolition in compliance with federal and state regulations. All abatement work shall be performed by employees and/or subcontractors properly licensed for the work. Contractor will provide a waste manifest documenting proper disposal for all asbestos-containing materials removed from the site.</p>
	<p><i>8. Green Building Standards and RREM Housing Standards</i></p> <p>Properties undergoing rehabilitation and/or elevation must comply with the HUD CPD Green Building Retrofit Checklist and properties undergoing reconstruction must comply with ENERGY STAR construction standards, as applicable. These standards shall be met to the extent feasible for remaining construction, but are not required for construction projects completed, under construction, or under contract prior to date of RREM Grant Agreement signing.</p> <p>If contract is executed after date of RREM Grant Agreement signing, Contractor will have reconstruction plans reviewed and certified by a Home Energy Rating System (HERS) rater as meeting ENERGY STAR standards, using the ENERGY STAR Plan Review Checklist version 3.0 and furnish said documentation to the Homeowner. For projects with a contract executed after date of RREM Grant Agreement signing undergoing rehabilitation and/or elevation, Contractors and Homeowner must provide a signed copy of the <i>Green Building Retrofit Checklist Certification</i> demonstrating repairs completed meet the required standard.</p> <p>All construction completed on or after date of environmental clearance must meet state and local building code requirements and meet or exceed RREM Housing Rehabilitation Standards (if performing rehabilitation) and HUD Housing Quality Standards. If elevating, property will be elevated at minimum to the most current Base Flood Elevation maps plus one foot, or local building standards if more stringent.</p>
	<p><i>9. Funds Requests.</i></p> <p>Contractor will furnish to Homeowner, documentation necessary for Homeowner to request construction draws and conduct final inspections under the RREM Program, as indicated in the <i>Homeowner Request for Payment for Use of Own Contractor</i> form. Contractor must document work has been completed in order to be considered eligible for RREM construction draws. Contractor understands the RREM Program will hold a ten percent (10%) retainage of grant funding that will be released only upon satisfactory completion of a final inspection of the property. The following documentation must be received by the program to complete a final inspection:</p> <ul style="list-style-type: none"> • Certificate of Occupancy (or equivalent) • Final Elevation Certificate (if applicable) • Lead-based Paint Clearance Examination Report (if applicable) • Asbestos Waste Manifest (if applicable) • Green Building Retrofit Checklist Certification (if applicable)



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	<ul style="list-style-type: none"> Final Bills Paid Affidavit <p>Additional documentation will be required for interim construction draw requests, including, but not limited to (1) bills and invoices for work performed, (2) change orders issued, (3) photographs of work completed, (4) bills paid affidavit documenting contractor has been paid for prior costs incurred, (5) building permits, (6) DEP permits, if applicable, (7) signed construction contract, (8) ENERGY STAR Version 3.0 Plan Review Checklist (if applicable) and (9) name of State Certified Lead Abatement Contractor (if applicable).</p>
	<p><i>10. Construction Timeline.</i></p> <p>Contractor will complete construction, and elevation if applicable, within one (1) year from the date of Homeowner signing of the RREM Grant Agreement, unless an alternative date is approved in writing by DCA.</p>
	<p><i>11. Records.</i></p> <p>Contractor will cooperate to make records related to the RREM-funded rehabilitation, reconstruction, elevation and/or mitigation available to HUD and the State of New Jersey, if requested, in order to conduct an audit of the expenditure of RREM funds. The RREM Program reserves the right to conduct on-site inspections and review documents to ensure compliance with this Addendum.</p> <p>Contractor is responsible to retain records documenting all construction activities for a period of five (5) years from the date of RREM Grant Agreement signing.</p>
	<p><i>12. Subcontractors.</i></p> <p>The General Contractor is responsible for the compliance of not only its firm but also its Subcontractors, and the Contractor and its Subcontractors will comply with all applicable requirements of all Federal laws, executive orders, regulations and policies governing the RREM Program.</p>

I have been notified and understand each of the requirements outlined in this document and acknowledge that my firm is required to comply with said requirements.

EXECUTED THIS DATE _____ day of _____, 20____.

[Name of Contractor]

[Signature Contractor Representative]

[Printed Name of Representative/Title]

[Contractor Mailing Address Line 1]

[Contractor Mailing Address Line 2]