

Living in a house during construction is dusty and noisy. Your life will be quite different during the time it takes to rehab the home.

Put away any valuables and breakables. Be sure to tell your contractor of any special needs. For example do not unplug a freezer or fish tank.

Sometimes things don't go exactly as planned and problems will arise. Remember the work will be over in a few weeks and your house will be in will much better condition.

SETTLING DISPUTES

When the homeowner and contractor cannot agree the contract requires any disputes to be settled through binding arbitration.

During arbitration, a panel will be selected to hear information from both sides. The panel will make a decision to settle the dispute.

WARRANTY

The contractor gives a one-year warranty on all work they perform, with two years for a HVAC system and five years for a roof.

If problems arise after the job is completed, call the contractor and arrange a time for them to come by. If the contractor does not respond, call the grant compliance officer to notify them of your issue. The contractor is not liable for work they did not do.

MAINTENANCE

It is your obligation to maintain your home after the job is complete. Such things as clogged sinks, frozen pipes, leaf filled gutters and dirty furnace filters are your responsibility. If you have questions about home maintenance, your grant compliance officer can answer them for you.

WHAT YOU CAN DO

Become involved in the process. It is your house – you know it best. Tell the grant compliance officer about any hidden problems or special needs, such as where you need plugs for air conditioners or special appliances. Make sure you understand the work specification and its limitations. Talk with your contractor and your grant compliance officer as problems arise. If you wait until the job is completed, it may be too late. Expect the job to go smoothly but keep your eyes open and don't be upset if problems arise. Most problems are easily solved if everyone involved communicates openly. Having your house repaired can be irritating, tiring and traumatic. It will also be interesting, exciting and rewarding.

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HOUSING REHABILITATION CONSTRUCTION PROCESS

**Grants and
Special Programs**



LEXINGTON

ABOUT THE PROGRAM

The Housing Rehabilitation Program is designed to help homeowners bring their houses up to the standards of the housing maintenance code.

This program uses a "no frill" approach designed to make your house safe, warm, dry and protected from the elements (i.e. the program can help with a new roof, but not a new dishwasher).

Eligibility for the program is based on income and family size.

This program provides funds and technical assistance so you can hire a contractor to repair your home.

APPLICATION AND SPECIFICATION

If you are financially eligible for the program, a grant compliance officer will contact you to arrange a time for an inspection and cost estimate of the work necessary to repair your house. If it appears that your house is feasible (i.e. can be repaired for an amount not exceeding the maximum allowed construction costs), a second grant compliance officer will contact you for a second look at your home.

After these steps, you will be asked to review the work specification to approve it or point out necessary changes. It is important for you to understand and approve the work specification as only the repairs listed on this document will be completed. Only minor and absolutely necessary changes may occur during construction.

SELECTING THE CONTRACTOR

The work on your house will be done by a private contractor. They will sign a contract with you to complete the work listed for a specified amount. The contractor is selected by competitive bidding with the project being awarded to the lowest qualified bidder. The government's loan will not exceed the amount of the lowest qualified bidder.

All bidding will be done by homeowner invitation only. The grant compliance officer will supply copies of the work specification and the current list of qualified contractors that have participated in the rehabilitation program to the homeowner. The homeowner may contact any contractor on this list or may call other contractors that are not on the list. The grant compliance officer will also provide a sign-in sheet for all contractors to sign in. Bids will not be accepted from any contractors who do not sign the attendance sheet.

Homeowners are encouraged to ask contractors for references and business cards. Bid amounts are not to be discussed at all prior to the opening of the sealed bids. If this condition is not adhered to, it may result in the homeowner and/or contractor being disqualified from the rehabilitation program. The homeowner must have at least three bids to open.



CONSTRUCTION

After selecting the contractor, a preclosing conference will be scheduled in which you, the contractor, and the grant compliance officer will be present at your home to review the work specification and program guidelines.

Once the pre-closing conference has been completed, a closing will be scheduled in which you, the contractor, the grant compliance officer and the financial staff will be present. You and the contractor will sign loan and construction documents and discuss any questions. By law, there must be a 3-day waiting period before any work is done to give you time to cancel if you wish.

You must not allow the contractor to begin until all the required documentation has been signed and the contractor has been given a written notice to proceed. The contractor has a certain number of days to finish your job after which he must pay a fine. Since most contractors work on several jobs at once, they probably will not work on your house every day. Work will be scheduled as workers and supplies become available.

