



## **CONTRACTORS: WORKING WITH THE RESTORE LOUISIANA HOMEOWNER ASSISTANCE PROGRAM**

Given the varied states of each homeowner's progress in the rebuilding process, extent of damage, resources available and capacity to complete repairs, the Program has been designed to allow homeowners to choose the Program solution which best suits their needs in the recovery process. Under the Solution 2 option, homeowners are allowed to select their own contractor to conduct their repairs or reconstruction.

When homeowners decide to use Solution 2 and bring a contractor to the program, the Program will only confirm whether the contractor is licensed by the Louisiana State Licensing Board for Contractors. The Program collects proof of workers compensation and general liability, along with a W-9 and an executed contract from the homeowner-chosen contractor. The Program does not register complaints against contractors that homeowners have selected. The Program does not make contractor recommendations, and it is strictly up to the homeowner whether to enter into an agreement with the contractor and manage the process with the entity they select.

Homeowners with remaining repairs can hire a contractor to complete the work outlined in the program approved Estimated Cost of Repairs (ECR). While the Program provides funding based on economy-grade materials and finishes, under Solution 2, the homeowner may select higher grade materials and finishes and pay the difference in price.

Once homeowners decide to use Solution 2, they work directly with their selected contractor on all contracts to develop a Project Plan required by the Program that details the timelines and projected draw schedule for repairs. As repair work is completed in accordance with the homeowner's Program-approved ECR and project plan, the homeowner must schedule and request periodic program progress inspections with their case manager. During each progress inspection, the Program will inspect the work noted on the ECR for completeness. As completed ECR items are observed during the inspection, a corresponding payment request will be initiated and a two-party payment to the homeowner and the contractor will be issued after all homeowner responsibility funds have been used. Program progress inspections do not take the place of or confirm local jurisdiction permit inspections. Solution 2 homeowners are responsible for ensuring their contractor secures all of the appropriate permits and jurisdiction-required inspections.

Although the Program monitors the work, and disburses funds as construction work is completed, the Program is not party to a Solution 2 homeowner's contract with their contractor, and the Program does not manage the details of said contract or the quality of the craftsmanship of repairs completed.

The Program cannot reimburse funds to a Solution 2 homeowner or contractor for completing work outside of the ECR, regardless of the agreement between the contractor and the homeowner (for example, upgrades). The Program will not pay an advance payment on behalf of a homeowner, regardless of the terms of the contract between the homeowner and their selected contractor. These procedures do not guarantee payment to the homeowner's contractor. Further, these procedures do not create a contractual relationship between the Program and the applicant's contractor. Finally, the applicant's contractor is not a third-party beneficiary of the applicant's grant agreement between the applicant and the Program.

Learn more at **Restore.La.Gov**

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