



SWITCHING SOLUTIONS

While the program does allow homeowners to switch solutions at any time prior to closing, it's important to understand that different solutions require the homeowner to take on different responsibilities. Read below to learn more:

FOR BOTH SOLUTIONS:

- The damage assessor determines a scope of work for remaining repairs creating an Estimated Cost of Repairs (ECR) using standard economy-grade materials.
- In cases where an applicant received or was approved for funding from other sources (such as FEMA or SBA) to repair his/her storm-damaged home, federal law requires those funds to be invested by the homeowner into home repairs before the program may provide additional dollars. These funds are known as "Homeowner Responsibility."

SOLUTION 1: PROGRAM MANAGED

- The program-appointed contractor does a **Pre-Construction Walk-Through** to review the proposed scope of work and make any eligible modifications.
- If there is a **Homeowner Responsibility** amount required, the applicant must bring funds to closing in the form of a cashier's check to be placed into an escrow account in order to pay the program-appointed contractor. The program will use these escrowed funds prior to accessing grant dollars.
- There is currently no specific deadline by which the applicant must gather the Homeowner Responsibility funds. However, the applicant cannot close until these funds are provided via a cashier's check at the time of closing.
- Only **standard economy-grade materials** are used.
- Home rehabilitation projects are limited to program-eligible **scope of work**. Remodeling is not an option.
- Reconstruction projects are limited to **pre-approved program construction plans**.
- The program-appointed contractor will complete the work according to the program-approved scope of work and the **program will pay the contractor directly**.

SOLUTION 2: HOMEOWNER MANAGED

- The applicant may choose between two options for Solution 2:
 - 1. Contractor-Managed:** If an applicant chooses their own contractor, they must provide license information and the construction contract to their case manager.
 - 2. Self-Managed:** If the applicant chooses to act as his/her own contractor and self-manage prospective repairs, they must sign a *Self-Managed Prospective Repairs Certification Form* prior to closing during the contractor vetting process.
- If there is a **Homeowner Responsibility**, the program will conduct a percent completion progress inspection to verify that the Homeowner Responsibility has been met, prior to grant funds being released to the applicant.
- As the applicant completes work in the ECR, he/she must schedule **periodic inspections** with his/her case manager who will inspect the work to determine if a check can be issued to the applicant (if Self-Managed) or two-party check to the contractor and applicant (if Contractor-Managed).
- The applicant may use **non economy-grade materials**, but is responsible for any costs over and above the amount listed in their Estimated Cost of Repairs Report.
- The applicant must begin construction within 180 days from closing. If funds are required to start construction, they must be gathered by this time.

SELECT THE SOLUTION YOU WANT TO SWITCH TO:

SOLUTION 1: PROGRAM MANAGED

SOLUTION 2: HOMEOWNER MANAGED

STATE THE REASON YOU ARE SWITCHING:

By signing below, I certify that I acknowledge my obligation to comply with the above-mentioned responsibilities:

NAME: _____
(Please print)

ACCOUNT ID: _____

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