



Multifamily Rehabilitation Grant Program

Contractor Handout

The Program

The Multifamily Rehabilitation Program offers small grants to address various building code repairs in affordable rental properties that have two to four units in Windsor. This assistance offers grant funds of up to \$10,000 per unit and requires a match of up to \$7,500 per unit. Matching funds are accepted either through the applicant's own existing funds or Windsor Federal (WF) Home Improvement Loan Program for Investment Properties (HILP).

The property owner will seek quotes and select a contractor to work with. The total grant amount is dependent on the lowest quote provided by an eligible contractor for the town-approved scope of work.

Eligible Repairs

- Replacement windows
- Replacement doors
- Siding repair and/or replacement
- System upgrades (i.e. plumbing, electrical and HVAC)
- Roof repair and/or replacement
- Water heater replacement
- Accessibility features for entering and existing the home (i.e. wheelchair ramps, stair rails)
- Basement waterproofing.

Required work: Smoke and CO2 detectors, life and safety related electrical upgrades and dryer vent replacements.

Eligibility as a Contractor

To be eligible as a contractor for this program, you are required to have an active Home Improvement Contractor License (or equivalent state-required license based on scope) and have insurance coverage relevant to the work performed.

Program Requirements

Program Inspector: A Program Inspector will approve the scope of work, review the contract, approve any change orders, and final payment. You will be required to cooperate with the Program Inspector for the duration of the project. Approval of fund disbursement (Town and WF funds) are conditional on inspector recommendations.

Quote for Services: The quote submitted to the property owner must be itemized and include 10% contingency costs.

Building Department Permit: Depending on the work performed, you will be required to obtain a permit and close it before getting final payment.

Construction Contract:

1. **Requirements** - The contract will be between you and the property owner; but given that the town is investing in the project, the program requires that it includes all the components identified by the CT Department of Consumer Protection (DCP). The Program Guidelines include an extract of DCP's "*Home Improvement & New Home Construction*", which includes a contract checklist. For guidance, please refer to Exhibit A below.
2. **Payments** – The program is accepting an initial payment of up to 40% of the total contract amount. However, this amount will be determined between you and the property owner. If the owners are financing matching funds through WF, the initial payment amount will depend on the size of the project. Final payments will be approved only after construction closeout documents have been received. Please see refer to Exhibit D for payment language required in contract.
 - **Via WF matching funds:** *Initial payment* – Prior to construction starting, the bank will provide the initial payment directly to you. The amount approved will depend on the size of the project. *Final payment* – You will receive final payments from the bank and the town. Final payments will be approved only after construction closeout documents have been received. Please see refer to Exhibit D for payment language required in contract.
 - **Via applicant existing matching funds:** *Initial payment* - The owner will give you an initial payment prior to construction starting as per agreed in contract. *Final payment* – You will receive final payments from the owner and the town. Final payments will be approved only after construction closeout documents have been received. Please see refer to Exhibit D for payment language required in contract.
3. **Contingency** – The program requires that you include 10% contingency costs in the total contract amount. Please see Exhibit D for language required in contract. Please be aware that the program will not allow any additional contingency.
4. **Contract Draft Review** - Eligibility to this program is determined after reviewing the contract draft. The final step for pre-approval is the contract draft review. The town and WF (if applicable) will pre-approve the owner after reviewing the final draft of the contract. They will ensure the scope and contract amount are as initially agreed (based on your initial quote). They will also ensure contingency costs and final payment language are included in the contract (see Exhibit D).
5. **Signed Contract Review** – Program funds are committed after reviewing the final contract. Please do not make any changes to the contract after the town has reviewed and approved its draft. If the signed contract has any changes to the final contract draft

that was approved by the town, the town will rescind its commitment and the property owner will no longer receive grant funds.

Change Orders: The use of change orders is limited to unexpected work that arises during construction. All change orders will need to be approved by the Program Inspector. The Town of Windsor and Windsor Federal reserve the right to refuse payment for any change orders not authorized prior to construction commencement. Change orders will only be approved if any unforeseen needs for repairs arise during construction. For a sample change order please see Exhibit B below.

Warranties: You are required to provide the property owner with both labor and materials warranties for yourself and subcontractors. For a sample labor warranty please see below.

Contractor Payment

As stated above, the town is offering grant funds, but requiring that the owner provides matching funds. See procedures below for each matching fund source.

Initial Payment: You will need to provide an itemized invoice in order to get paid.

1. **Windsor Federal:** The bank will provide funds directly to you. They will release up to 40% of the total project cost¹ for prefunding of construction contract and materials after the signed contract is reviewed and approved.
2. **Owners' Own Funds:** to follow payment stipulations on construction contract based on discussions with the property owner. The program recommends that the initial payment is no more than 40% of the total project cost. This payment will be made by the property owner.

Final Payment

Your final payment approval is contingent on receiving the documents listed below with all applicable signatures.

- Signed Change Order, if applicable (should include Program Inspector's signature)
- Itemized final invoice including the work already paid for and work owed. *Addressed to the Property Owner. Please see Exhibit E for an Invoice Sample.*
- Building Department Inspection(s) passed and permit closed.
- Signed Certificate of Completion (should include owner's, Program Inspector's and your signature) – *this document is generated and submitted by the Program Inspector.*

Questions?

Feel free to reach out to us at multifamily-grant@townofwindsorct.com or by phone at 860-285-1985.

Multifamily Rehabilitation Grant Program

Contractor Handout Acknowledgement

¹ Windsor Federal will release up to 40% of the covered costs (the covered cost being defined as the sum of the grant amount and the required matching funds), but Windsor Federal will not release more than the total amount of the Windsor Federal Loan Program less applicable reserves.

I have received, reviewed and understand the Contractor Handout of the Multifamily Rehabilitation Grant Program

Contractor Name/Company Name
(Please Print)

Date

Signature

EXHIBIT A

Home Improvement Guide

This is an excerpt from "Home Improvement & New Home Construction in Connecticut", a document created by the Department of Consumer Protection (DCP) to help the contractor comply with the law

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and the property owner understand what's required in a contract. For guidance, pages 31 -33 of the document are inserted below.

For more information on this guide please visit: <https://portal.ct.gov/-/media/DCP/Investigations-Division/documents/FinalHomeImprovementGuidepdf.pdf>

For questions please contact DCP by emailing dcp.tradepractices@ct.gov, or by calling at (860) 713-6100 or Toll-Free at (800) 842-2649.



Your Contract Checklist

The contract is not valid and not enforceable against the homeowner unless it contains all of the information below and is entered into by a registered contractor or salesperson. The contractor must provide and deliver to the owner, without charge, a completed copy of the home improvement contract at the time the contract is executed. This checklist will help you make sure everything is covered.

The Basics

- Contractor Name
- Contractor Address
- Contractor HIC Registration Number
- The Entire Statement of Agreement

Important Contract Dates

- Transaction Date
- Start Date
- Completion Date

Signatures

- Contractor Signature and Date
- Homeowner Signature and Date

Notice of Cancellation Information

- You have verbally informed the consumer about their right to cancel
- Consumer has been given a detachable "Notice of Cancellation" Form that includes:
 - Address where cancellation must be sent
 - The date by which cancellation must be sent

Notice of Cancellation

(must be in Bold, 10 point font as shown below.)

DATE OF TRANSACTION: _____

YOU MAY CANCEL THIS TRANSACTION WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE (3) BUSINESS DAYS FROM THE ABOVE DATE.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN TEN (10) BUSINESS DAYS FOLLOWING RECEIPT BY THE SELLER OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE SELLER AT YOUR RESIDENCE IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER REGARDING RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR THE PERFORMANCE OF ALL OBLIGATIONS UNDER THE CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE TO:

NAME OF SELLER: _____

AT THE ADDRESS OF SELLER OR SELLER'S PLACE OF BUSINESS
(Please write the mailing address including the business name below):



**NOT LATER THAN MIDNIGHT OF THIS DATE (3 business days from
cancellation) __/__/__**

I HEREBY CANCEL THIS TRANSACTION:

CONSUMER'S SIGNATURE: _____

DATE: _____

CONSUMER'S NAME: _____

CONSUMER'S EMAIL ADDRESS: _____



EXHIBIT B

You are encouraged to use the Change Order (CO) sample below when needed.

SAMPLE CHANGE ORDER FORM

Contractor: Insert Company name

Property Owner: Insert Property Owner Name

Property Address: Insert Address

Change Order #: Insert change order number

Please make the following changes in this contract: (mark add/delete w/+ or – sign)

1. (+ Add) \$ (Insert amount)

2. (+Add) \$ (Insert amount)

Total Additions: \$ (Insert total amount of CO)

Reason for change:

1. +\$ (Insert amount on #1 above) - Insert description of work.

2. +\$(Insert amount on #2 above) - Insert description of work.

The Original Contract Price was: \$ (Insert original contract amount)

Net Change w/Prior Change Orders: \$ (Insert prior CO amount, if any)

The Contract Cost prior to this Change Order was: \$ (Insert prior contract amount)

The Contract Cost will increase by this Change Order \$ (CO amount)

The Contract including this Change Order will be \$ (Insert new contract amount)

The Contract Time will increase by (Insert Number of days) day(s)

This form is not valid until signed by the owner and contractor and approved by the Program Inspector. Signature indicates agreement of all parties hereto, including any adjustment in the contract price.

By execution of this change order the owner agrees to be responsible for all associated costs in this change order.

The above changes are accepted by:

Program Inspector (signature) (date)

Owner (signature) (date)

Owner (signature) (date)

Contractor Name & (please print)

Contractor (signature) (date)

EXHIBIT C

This One Year of labor Warranty document has been provided for your reference. Although you are not required to utilize this format, you are welcomed to use it if needed.

ONE YEAR WARRANTY ON LABOR

Insert Name of Company

Insert Address

Insert phone number

PROPERTY OWNER

Insert Owner Name

Insert Address

Windsor, CT 06095

Insert Date

NAME OF FIRM:

Insert Company Name

Insert Address

PHONE: Insert phone number

DATE: Insert Date

I / WE (Insert Company Name) HEREBY GUARANTEE THE WORKMANSHIP ON LABOR ON A PROJECT UNDERTAKEN BY MY FIRM AT (Insert Company Address) AS PER CONTRACT SIGNED ON (Insert Contract Signing Date) FOR A PERIOD OF ONE YEAR FROM THE DATE SIGNED ON CERTIFICATE OF COMPLETION.

Signature

Printed Name

Title

EXHIBIT D

You will be required to include the language below in the contract.

Contingency –

The estimate includes a 10% contingency for any unanticipated project delays, weather related delays or material increases.

Final Payment –

Final payment is contingent upon the receipt of a signature of the respective inspector for which each permit was issued. The Contractor shall be responsible for obtaining the signatures and presenting them upon final payment. No final payment shall be made until all guarantees from the Contractor and from manufacturers, as they apply to the work, are presented to and accepted by the Owner.

EXHIBIT E

Contractor Name

*Contractor Address
Town, CT zip
Phone
Fax
Email
Website*

Sample Invoice	
Date	Invoice #

Bill To:
<i>Property Owner Name</i>
<i>Property Address</i>
<i>Windsor, CT 06095</i>
Attention: Multifamily Rehab. Grant Program

Quantity	Description	Amount
1	<i>Residential Rehabilitation work at 123 Street Name, Town, CT zip</i>	
	Item 1	\$
	Item 2	\$
	Item 3	\$
	Item 4	\$
	Item 5	\$
	Item 6	\$
	Item 7	\$
	Item 8	\$
	Item 9	\$
	Change Order 001 \$	
	Advance Payment	
	TOTAL	
Comments		Total \$
Amount due from (homeowner name/ Windsor Federal)		
Amount due from the Town of Windsor		

