

# Sandy Recovery through Education Forum

**UPWARD**

**FORWARD**

**MOVING**

# Why is this important?

“(today)... **Every dollar spent reducing people’s vulnerability to disasters saves around seven dollars** in economic losses. Investing in prevention not only increases the resilience of countries to future disaster, but protects economic growth and other development achievements from being lost in a single catastrophic event.”

- United Nations Development Program

10 years ago, it was 1 in 4.



We see a beautiful place...





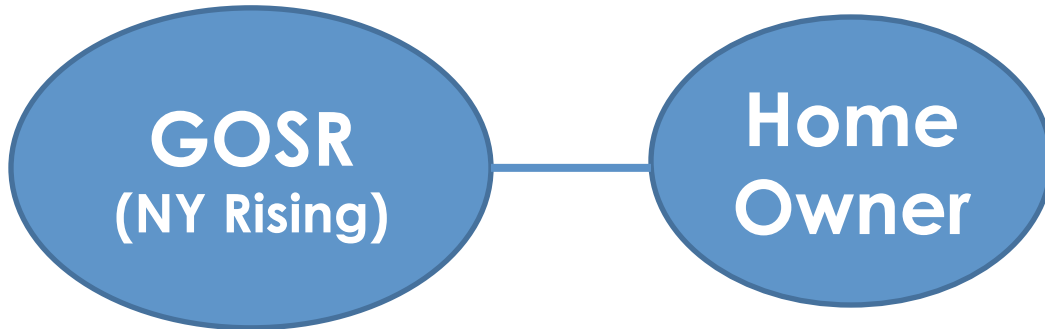
# HURRICANE SANDY

A nighttime photograph of a city skyline, likely New York City, with various skyscrapers illuminated. A prominent bright light streak, possibly a meteor or a satellite, is visible in the dark sky above the city.

- 80+ US Casualties
- 7.5 million people without power
- 14 feet average storm surge
- effected 5 million residents
- \$90 billion in losses
- **largest hurricane on record**



# The Relationship

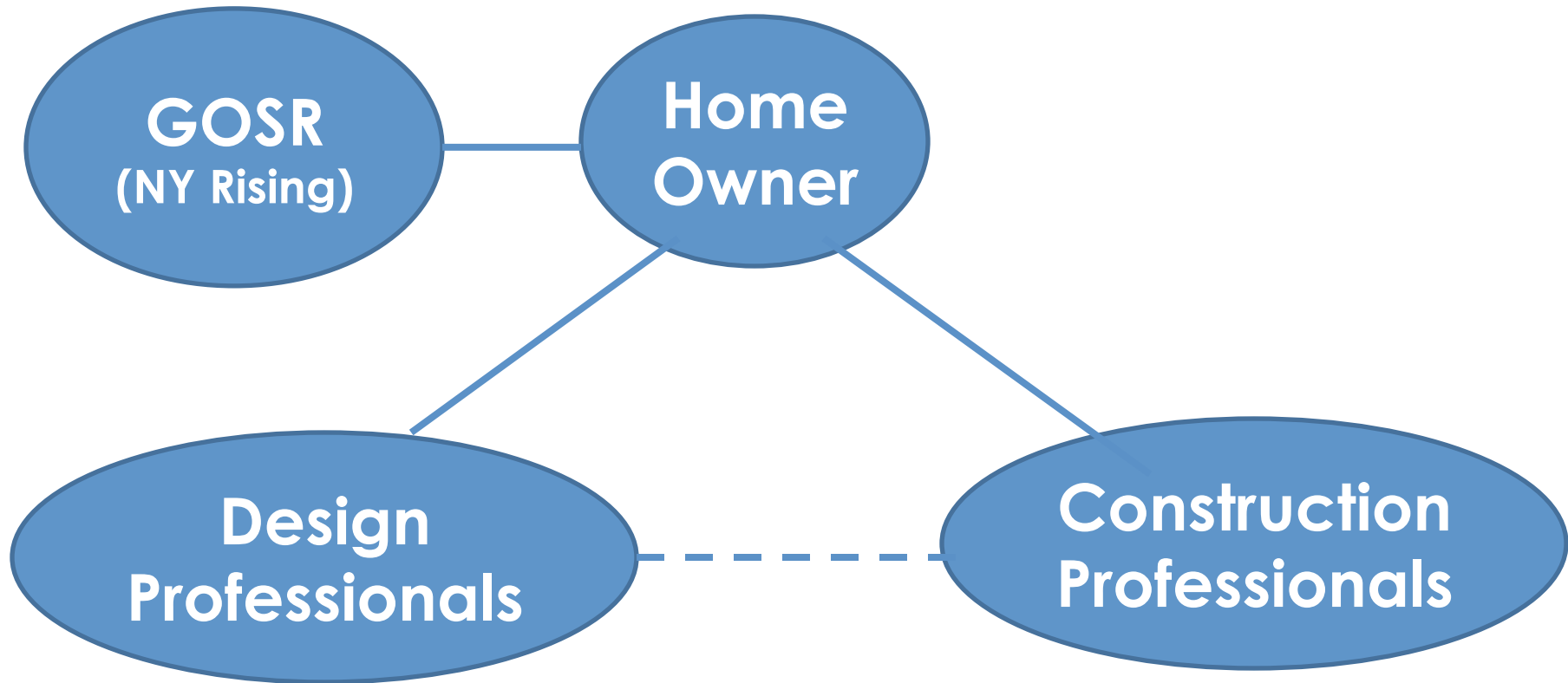


When a **Federally declared** disaster strikes, HUD provides Community Development Block Grant – Disaster Recovery [CDBG-DR] funding for communities and individuals for recovery.

There are hundreds of rules and regulations that the administrators (GOSR), the applicant (Home Owner), design professional, and contractor MUST abide by.

*If we do not, we may not be eligible for future funding.*

# The Relationship





# The Relationship

Design  
Professionals →

Construction  
Professionals →

Jurisdictions →

**Owners**



# What the Elevated Studio does – We are your:

- **Architect (design professional)** – solving the recovery problem through design;
- **Advocate** – Working with the Program to complete your recovery;
- **Project Manager** – Working with you and the selected contractor to reconstruct/repair your home;
- **Construction hawk** – Making sure that the construction team is working smoothly and efficiently;
- **Assistant grant manager** – Helping you manage the grant dollars throughout the process.



# The Award - Mitigation

## Estimated Cost of Repair

NY Rising Housing Recovery Program

### Summary for Property

Line Item Total		13,390.12
Permit		1,000.00
Bonding		363.63
General Conditions		872.70
Subtotal		15,626.45
Total Tax(Rep-Maint)	@ 8.625%	1,154.92
Replacement Cost Value		\$16,781.37
Net Claim		\$16,781.37

## Before tES Submission

Design Fee: \$ 2,500.00

Construction Cost: \$16,780.00

## After Program Review

Design Fee: \$ 3,900.00

Construction Cost: \$39,700.00

## Estimated Cost of Repair

NY Rising Housing Recovery Program

### Summary for Property

Line Item Total		32,879.14
Permit		1,000.00
Bonding		891.69
General Conditions		2,140.05
Subtotal		36,910.88
Total Tax(Rep-Maint)	@ 8.625%	2,788.42
Replacement Cost Value		\$39,699.30
Net Claim		\$39,699.30

# The Award - Elevation

## Estimated Cost of Repair

NY Rising Housing Recovery Program

### Summary for Elevation

Line Item Total			62,601.70
Permit			1,000.00
Bonding			1,700.03
General Conditions			4,080.07
Subtotal			69,381.80
Total Tax(Rep-Maint)	@	8.625%	5,399.46
Replacement Cost Value			\$74,781.26
Net Claim			\$74,781.26

## Before tES Submission

Design Fee: \$ 8,000.00

Construction Cost: \$74,780.00

## Estimated Cost of Repair

NY Rising Housing Recovery Program

### Summary for Elevation

Line Item Total			194,817.88
Permit			1,000.00
Bonding			5,288.48
General Conditions			12,692.34
Subtotal			213,798.70
Total Tax(Rep-Maint)	@	8.625%	16,721.17
Replacement Cost Value			\$230,519.87
Less Amount Over Limit(s)			(3,231.82)
Net Claim			\$227,288.05

## After Program Review

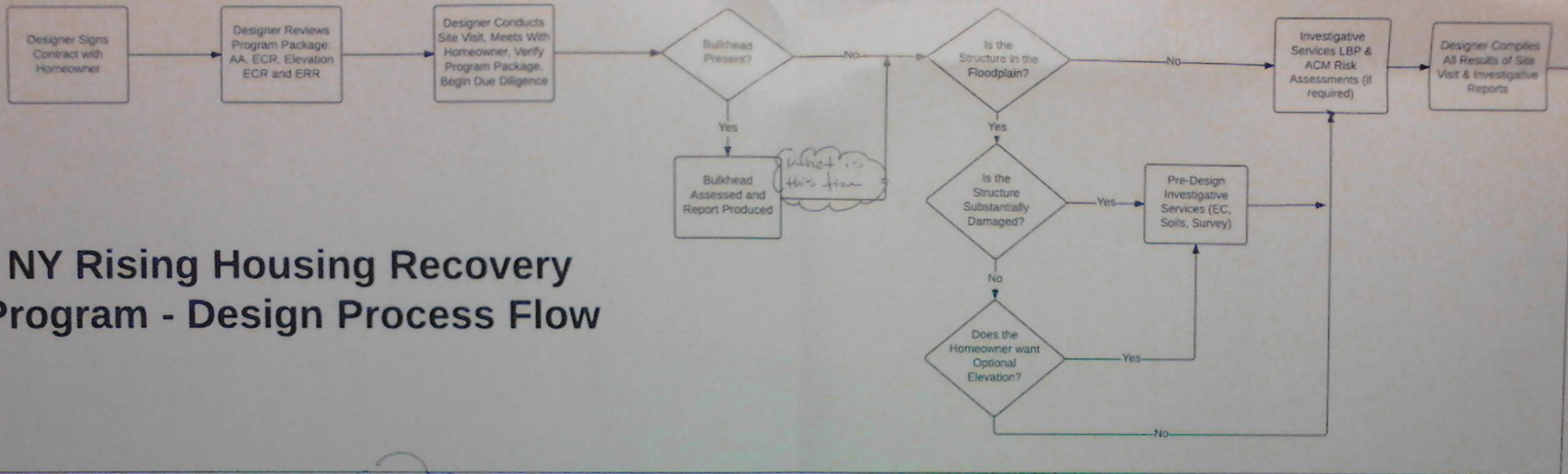
Design Fee: \$ 19,300.00

Construction Cost: \$227,300.00

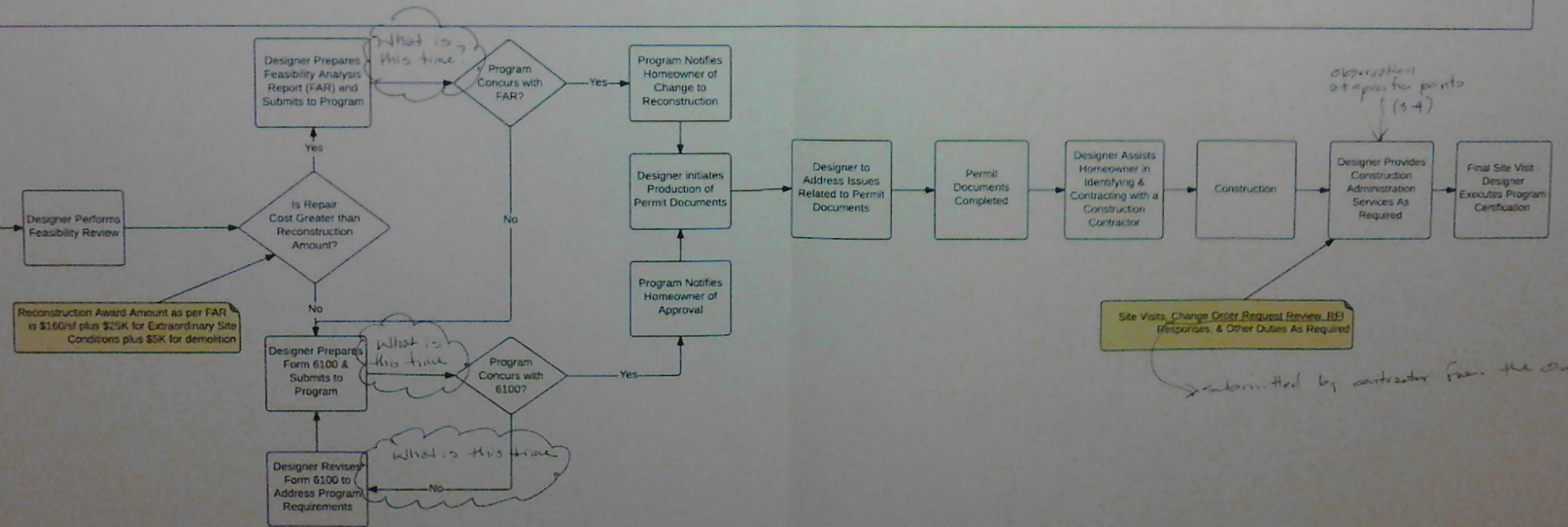
### Program Sublimit Recap

Description	Program Limit	Estimated Cost	Overage
Construction Adjustment	\$7,500.00	\$10,731.82	\$3,231.82
Soil Boring	\$5,000.00	\$950.00	\$0.00
		\$11,681.82	\$3,231.82





## NY Rising Housing Recovery Program - Design Process Flow



# The Documents Needed

## **BEFORE** design drawings can begin:

1. **Allowable Activities Report (AA):**
2. **Estimated Cost of Repair (ECR):**
3. **Environmental Review Record (ERR):** Required by the National Environmental Policy Act (NEPA) for each property/dwelling applying under the program.
  - Floodplain Location
  - Asbestos and Lead-Based Paint
  - Section 106 Historic Preservation
4. **Elevation Certificate:** NTE \$750
5. **Land Survey:** NTE \$1000
6. **Soils Report:** NTE \$5000
7. **Bulkhead Assessment Report:** \$2500
8. **Lead Based Paint Risk Assessment:** no cost
9. **Asbestos Containing Material Assessment:** no cost
10. **Award Letter**



# The Design and Construction Process

The design and construction process under “normal” circumstances is exciting, but at times can be very stressful.

In the aftermath of a disaster or a crisis, excitement goes away, being replaced by fear, anger and at times hopelessness.

# The Design and Construction Process

Many design professionals in our region have not been trained or equipped with the tools to guide their clients with reconstruction.

But...

**We're getting there.** Design professionals are learning how to better match the needs of the Client (home owner), with the requirements of the governmental assistance...while learning the “new” language of disaster reconstruction

# The Design and Construction Process

It takes time.

In a “normal” project schedule, design can take *up to* one year to complete, BEFORE the permits are filed.

3 Design phases (2-4 months per phase):

- Schematic Design
- Design Development
- Construction Documents

In “simple project, SD & DD are  
Sometimes combined into  
1 phase



# The Design and Construction Process

Once the documentation phase is complete...

## File for permits – 1-4 weeks

- Design professionals assist the Client in completing the documentation for the filing. Ultimately, it is the Client's responsibility.

## Bidding and Negotiations – 3-6 weeks

- Design professionals assist the Client in soliciting qualified general contractors to complete the work.

Then...

## Construction – 3-9 months

# The Design and Construction Process

## Construction

- During construction, the design professional is there to observe, not inspect the work; to ensure that the work complies with the construction documents.
- They also certify that the contractor shall be paid for the work completed to date
- Answer questions of the contractor and owner

# The Building Codes and Permits

Permits are always needed EXCEPT:

- Cosmetic changes, i.e. painting
- In-kind replacement of non-structural components, i.e. exterior windows or roofs
- Repairs / Reconstruction, Elevation, Bulkheads, New construction all require a permit.
- Property Owners pay for the permit, u.o.n.

# The Permit Process – What is needed

It varies from jurisdiction to jurisdiction, and each town has their own requirements.

It is the Owner's responsibility (or through its agent [architect or expediter]) to submit the permit application with:

- Building Permit Application;
- Fee;
- Drawings (The same, or expanded set that is approved by the Program)
- Builder's License Certificate;
- Builder's Insurance Certificate;
- DEC Permit approval (only in some jurisdictions within 300' of a navigable waterway).



# Financial Assistance Programs

# Interim Mortgage Assistance – What is it?

The Interim Mortgage Assistance Program is a HUD based program to assist people who are holding a mortgage on their primary residence and a monthly rental fee during their displacement. This program is designed to offset the extra expenses during displacement. It is a reimbursement program so you will have to pay your mortgage and rent upfront for a few months prior to the program reimbursing you the mortgage payment.

# Interim Mortgage Assistance - Qualifications

To qualify you must be paying mortgage and rent each month. The mortgage must be on your primary residence and you must be in one of the repair programs within NY Rising. Also, you will not qualify if you exceeded 3 months arrears on your mortgage prior to the storm.

If you qualify you can get up to \$3000 per month for up to 20 months or \$60,000 whichever comes first. You can qualify for an extension upon request of up to 16 months at the same rate of up to \$3000/month upon completion of an inspection proving that substantial progress has been made on your project. If you do not pass this inspection then you can apply for the new construction program to be able to qualify for the extension.

# Interim Mortgage Assistance - Application

You can obtain an application via the website:

[www.stormrecovery.ny.gov](http://www.stormrecovery.ny.gov)

The case manager can mail you a copy or I can get you a copy upon request.

Submit the completed application and documents to:

[IMA\\_ACH@nysandyhelp.ny.gov](mailto:IMA_ACH@nysandyhelp.ny.gov)

Or mail/hand deliver to: 500 Bi-County Blvd., Farmingdale, NY 11735  
IMA office phone # - (516) 341-0201



# Interim Mortgage Assistance - Process

- Completed application
- Mortgage statement/letter from mortgage holder showing terms of mortgage (principal, interest rate, monthly payment, tax & insurance escrow, and time remaining on mortgage)
- Proof of mortgage payments during time of displacement
- Valid rental lease (signed by tenant & landlord, dated, terms of lease, monthly rental amount and address)
- Proof of rental payment
- Completed ACH Direct Deposit form & include voided personal check
- You must also report and document any other rental/mortgage assistance received during the time of displacement.

# Interim Mortgage Assistance – A few notes

- This is a reimbursement program so be prepared to front at least 2 months of mortgage and rent.
- Be sure to submit the proof of payment for mortgage and rent monthly to be sure your reimbursement will be distributed in a timely manner
- You can submit the application and any existing documents prior to moving out but you will not receive payments until you are actually displaced.
- They will back-pay up to 6 months if you were displaced prior to applying for the IMA program (even if you have since moved back home).

# Uniform Relocation Act (ULA) – What is it?

The Uniform Relocation Act or URA is a federal law that requires programs, including NY Rising, to take steps to minimize any displacement of residential tenants as a result of that program. URA provides certain rights and benefits for qualified rental tenants facing temporary or permanent relocation as a result of federally funded rehabilitation work.

NY Rising will pay for any necessary tenant compensation and other costs of URA Compliance.

Landlord URA line: (516) 881-7919

# Uniform Relocation Act (ULA) – General Notice

The Landlord must the General Information Notice (GIN) to tenants which outlines the intended project and the projected time of displacement.

The Landlord must also provide the tenants rights & potential eligibility of assistance including:

- Moving expenses
- Assistance locating & making deposits for temporary housing that is decent safe & sanitary
- Payments towards the difference in the rent between the new housing and their current rent
- Assistance with utility payments



# Moving into Construction

# The Professionals

## Negotiating

- Much of negotiations is about chemistry **and** how well all parties communicate.
- Word of mouth is still king! Ask a neighbor, friend, relative.
- Speak to references, *both* good and bad. One never knows why a relationship goes South. It could be the designer's, the contractor's, or it could be the Client's issue.

# The Professionals – Contractors

## THINK BIG.

We are looking for individuals who are eager to develop and apply their skills to create buildings where people live, work and play. If you think big, we would like to hear from you.



## *What we do / Who we are*

- Skilled craftsmen/women with the ability to attach dissimilar materials together.
- Team leaders
- Team collaborators
- General practitioners (general contractors) and Specialists (sub-contractors)

## *What we don't do / Who we are not*

- Blue prints
- Design and Engineering
- Press a button and out comes a building

# Contractors – Choosing one (or more)

## Experience

- What is your communication philosophy?
- What sets your firm apart from other contractors with similar experience?
- Do you have experience with the building type and size of my project?

## My Project

- Are you interested enough in this project to make it a priority?
- What challenges do you foresee for my project?
- What is your estimated timetable for my project?
- What criteria will be used to establish priorities and make decisions?
- What do you expect me to provide?
- How disruptive will construction be?
- What role do I have during construction? Who is my point of contact with you and the your team?
- What are your insurance limits and can you provide me with a Certificate of Insurance?
- Please provide me with 2 good, and 1 not-so-good Client references.

## During Construction

- What is your relationship with the Town?
- How do you handle changes to the scope of work?
- When will you bill me and for what?
- There will be design professionals on site, how have you worked with them in the past?
- Will you be self-performing any work?
- What will you sub-contract out?
- What will happen if the Town asks for something that isn't on the drawings or in the Code?

*Be honest and candid, remember, we are here to help!*

[www.nahb.org](http://www.nahb.org)



# The Construction – The Selection (bidding)

**It is a time consuming process.  
Do not take it lightly or thoughtlessly.**

We are here to guide and manage the process. Unless you have gone through this before and have many years of construction experience, let us manage the process. That is what we are contracted for.

## **Things not to do:**

- Don't tell the contractor your award amount;
- Not read the proposal and accept it without questions;
- Don't sign the proposal until you understand it thoroughly;
- Get only one quote;
- Not use your architect.

# The Construction – The Selection (bidding)

We typically issue a Bidding set of documents to invited construction teams (up to 5 or 6). The Set includes:

- Drawings and Specifications;
- Instructions to Bidders;
- Insurance Requirements;

## **Then...**

We schedule one project walk-thru and invite all of the teams.

## **Then...**

We receive their proposals and review for completeness and level the bids;

## **Then...**

We present the findings to YOU and we discuss the bids;

## **Then....**

# The Construction – The Selection (bidding)

## **We AWARD!**

Once awarded, the contractor provides us with a copy of their license and certificate of insurance.

Deposit is paid to the contractor (not more than 10% before they start).

The construction team mobilizes.

# Insurances – Required by the Program

The Program does have base limits of each of the types listed below. However, the limits are not thoroughly enforced. **YOU** the owner and we the architect are named insured on the Certificate of Insurance.

- Liability Insurance;
- Fire Insurance and Extended Coverage;
- Stored Material Insurance;
- Riggers or Cargo Insurance (for elevation only);
- Workman's Compensation;
- Automobile Liability.

We also recommend that you speak with your home owner's carrier to make sure you are covered during construction. If not, we recommend that you purchase Builder's Risk Insurance. Typically 1% of the construction value (no NYR doesn't cover this).

# The Construction – What to expect

## **Murphy's Law – it's construction after all.**

Our role is to make sure that the Work is being performed in accordance with the design drawings and specifications. Many design professionals do not perform this service.

We are on site on a regular basis, typically once every 2-3 weeks. Project meetings are held and questions are answered. We're also a phone call away from YOU *and* the Contractor.

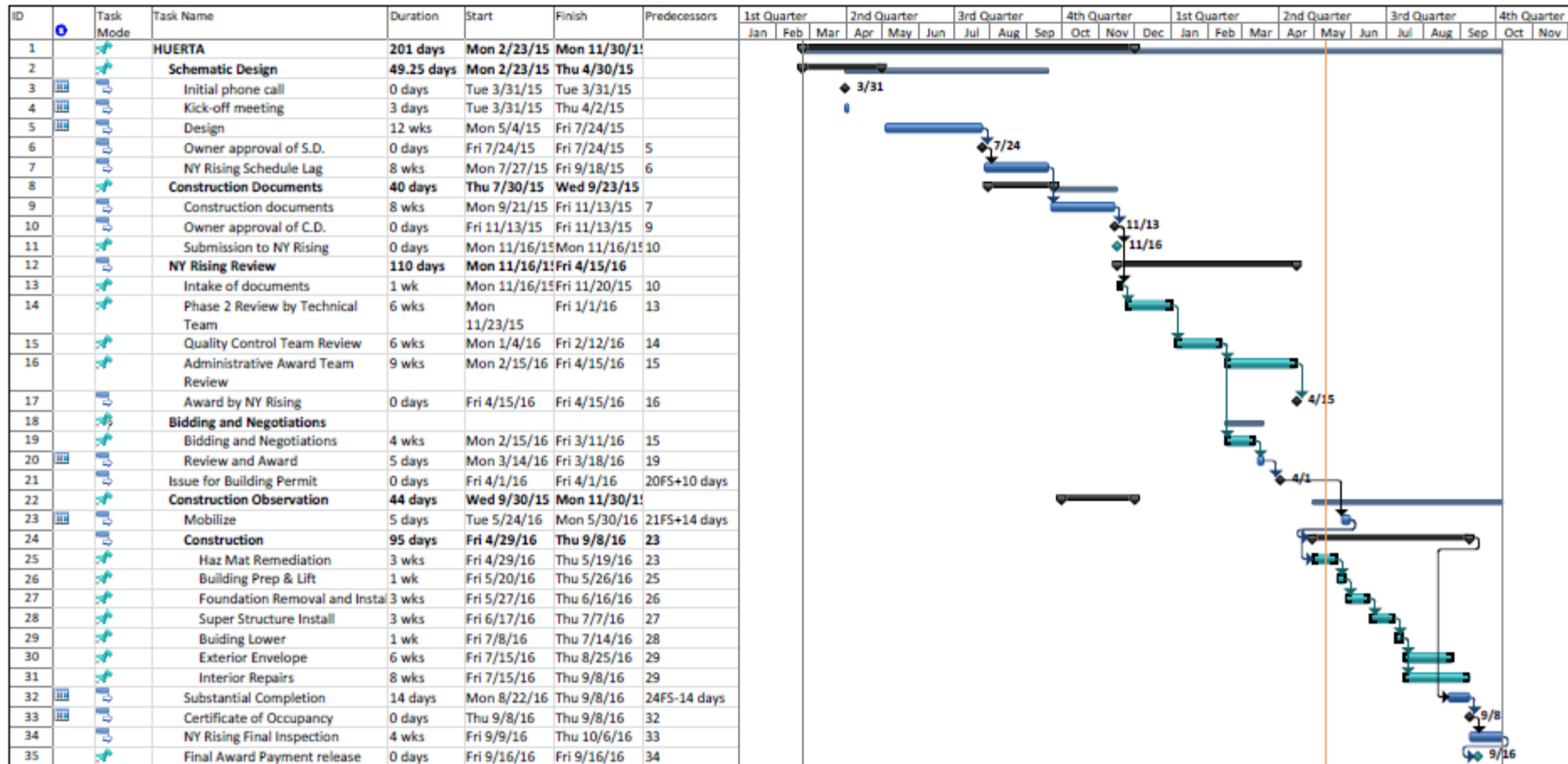
**Communication is key!**

# The Schedule

- Mobilization **(1<sup>st</sup> 50% grant disbursement)**
- Site Preparation
- Hazardous Material Abatement (requires separate permit & inspection)
- Building Demolition (if reconstruction) / Building Preparation (if elevation)
- Demolition or Building Elevation
- Removal of existing foundation / Installation of new foundation
- Lower of Home **(2<sup>nd</sup> 25% grant disbursement)**
- Exterior and Interior repairs
- Jurisdiction Inspection
- Certificate of Occupancy – Move In
- Program Inspection
- Final Payment **(final grant disbursement)**

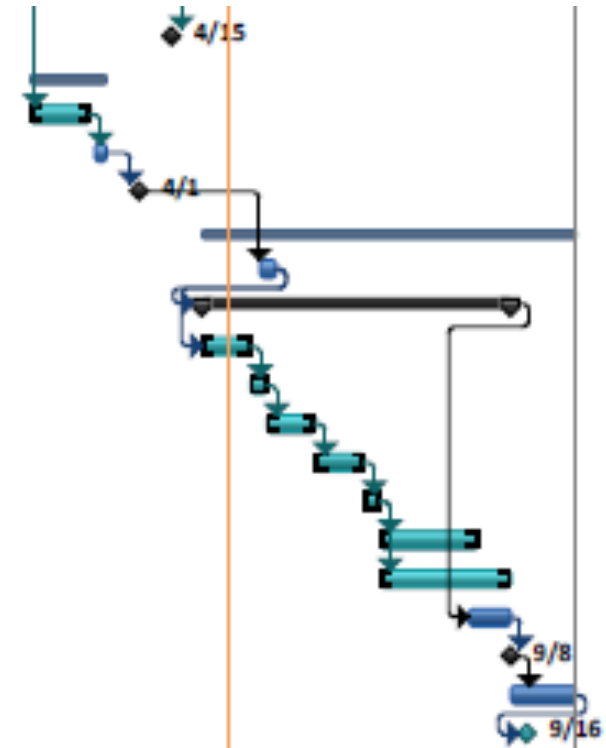


# The Project Schedule



# The Project Schedule

Award by NY Rising	0 days	Fri 4/15/16	Fri 4/15/16	16
<b>Bidding and Negotiations</b>				
Bidding and Negotiations	4 wks	Mon 2/15/16	Fri 3/11/16	15
Review and Award	5 days	Mon 3/14/16	Fri 3/18/16	19
Issue for Building Permit	0 days	Fri 4/1/16	Fri 4/1/16	20FS+10 days
<b>Construction Observation</b>	<b>44 days</b>	<b>Wed 9/30/15</b>	<b>Mon 11/30/15</b>	
Mobilize	5 days	Tue 5/24/16	Mon 5/30/16	21FS+14 days
<b>Construction</b>	<b>95 days</b>	<b>Fri 4/29/16</b>	<b>Thu 9/8/16</b>	<b>23</b>
Haz Mat Remediation	3 wks	Fri 4/29/16	Thu 5/19/16	23
Building Prep & Lift	1 wk	Fri 5/20/16	Thu 5/26/16	25
Foundation Removal and Install	3 wks	Fri 5/27/16	Thu 6/16/16	26
Super Structure Install	3 wks	Fri 6/17/16	Thu 7/7/16	27
Buiding Lower	1 wk	Fri 7/8/16	Thu 7/14/16	28
Exterior Envelope	6 wks	Fri 7/15/16	Thu 8/25/16	29
Interior Repairs	8 wks	Fri 7/15/16	Thu 9/8/16	29
Substantial Completion	14 days	Mon 8/22/16	Thu 9/8/16	24FS-14 days
Certificate of Occupancy	0 days	Thu 9/8/16	Thu 9/8/16	32
NY Rising Final Inspection	4 wks	Fri 9/9/16	Thu 10/6/16	33
Final Award Payment release	0 days	Fri 9/16/16	Fri 9/16/16	34



# What do you get?





# We see a beautiful place...



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