

REQUEST FOR INTEREST
For General Contractors for the
Homeowner Reconstruction, Rehabilitation,
Elevation and Mitigation Program
In conjunction with
THE STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS

Purpose

This Request for Interest is the first step in the development of a Pool of Qualified Contractors for the New Jersey Homeowner Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program. A formal Request for Qualifications (RFQ) will be issued on or about June 17, 2013. This Request for Interest is designed to provide basic guidance on:

1. The Nine targeted counties for the RREM Program
2. The Benefit/Subsidy for Homeowners who will sign contracts with homebuilders;
3. The Process for creating a Pool of Prequalified builders
4. The use of pre-developed prototype designs and specs supplied by the Program
5. Federal, State and Local program requirements must be met on all homes.

Completing the Request for Interest Response Form will provide you the most immediate access to the RFQ. Completing this form does not bind you to participate prior to the RFQ. Not completing this form does not exclude you from an RFQ submission once the RFQ comes out.

Background

The State of New Jersey Department of Community Affairs (DCA) has created the Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program to assist with the recovery efforts of owner-occupied housing structures. A total of nine counties are in the program including:

1. Atlantic
2. Bergen
3. Cape May
4. Essex
5. Hudson
6. Middlesex
7. Monmouth
8. Ocean
9. Union

DCA has selected URS Corporation as the Primary RREM Program Manager and Shaw Environmental, Inc, a CB&I company (Shaw) and Gilbane Building Company as secondary RREM Program Managers. In support of the rebuilding efforts and the RREM Program, the RREM Program Managers are issuing this Request for Interest (RFI) to determine the interest of General Contractors with homebuilding experience to participate in the RREM through a Qualified Contractor Pool (QCP). The initial QCP will be

established based on responses to a Request for Qualifications to be issued on or before June 17, 2013.
BUILDERS MUST BE IN THE QCP TO BE ELIGIBLE TO PARTICIPATE IN THE RREM PROGRAM.

On March 5, 2013, HUD published a Funding Notice distributing a portion of the Community Development Block Grant—Disaster Recovery (CDBG-DR) funds made available under the Disaster Relief Appropriations Act of 2013 (Public Law-113-2 approved January 29, 2013). Based on a HUD determination of damage throughout the affected areas, New Jersey received an allocation of \$1,829,520,000. In the Action Plan Submitted to HUD on March 27, 2013, and approved by HUD on April 29, 2013, the state committed 67% of the total funding to housing (\$1,159,520,000) including \$600 million to the RREM Program. The Homeowners may receive up to a \$150,000 subsidy to help rehabilitate, reconstruct or elevate a home.

RREM Program Specifics

The RREM Program will assist homeowners in the nine targeted counties who sustained damage during Superstorm Sandy. Homeowners participating in the program will be required to apply, meet eligibility requirements, and proceed with grant and construction agreements as developed by the program for use in the CDBG-DR Program. Homebuilders will not be required to identify homeowners but will be required to sign a construction contract / work with the homeowners determined by the Program in the homebuilding process. The required scope of work for each home will vary based on the amount of damage sustained. Homes may need elevation only, rehabilitation only, rehabilitation and elevation, reconstruction, or reconstruction and elevation. Qualified General Contractor homebuilders should be able to provide, either directly or through a subcontractor, all of these services.

Once homebuilders are in the QCP, a hybrid allocation system will be used for assignment/award. When possible, assignments will be made for reconstruction using the program-approved construction plans based on capacity and a rotating system. Rehabilitation will be competitively bid by the QCP based on the program-designed scope of work. All awards will be based on cost reasonableness for the region of development.

The Program Managers will provide an estimated cost of repair to determine whether the home is eligible for elevation and/or repair or must be reconstructed. The Department of Environmental Programs (DEP) will obtain the required environmental clearance. Any conditions of construction identified through the environmental clearance process will be incorporated into the contractor scope of work.

FOR RECONSTRUCTION PROJECTS, THE BUILDER WILL BE WORKING FROM A PROGRAM APPROVED SET OF HOME PLANS INCLUDING BUILDING SPECIFICATIONS. REHABILITATION PROJECTS WILL BE SET BY A PROGRAM PROVIDED SCOPE OF WORK. Every attempt will be made to have reconstruction plans pre-approved within the code enforcement process and local zoning work completed. The builder will be responsible for working with local officials for approvals and permits to proceed for that home site. All work to be done on the project (elevation, rehabilitation, reconstruction, or a combination thereof) will be done according to a detailed scope of work provided to the builder. Contractors will be responsible for ensuring that all construction activities are compliant with all federal, state, and local codes, standards, zoning and permit requirements. Change orders are not anticipated and will be reviewed on a case-by-case basis. **THE RREM PROGRAM IS A COST REIMBURSEMENT PROGRAM. AS SUCH, PARTICIPATING BUILDERS MUST BE ABLE TO FUND RELEVANT PORTIONS OF THE CONTRACT AND SUBCONTRACTOR/VENDOR PAYMENT COMMITMENTS FOR UP TO 30 DAYS AFTER APPROVED DRAW REQUEST.**

Builders participating in the program will sign a Construction Agreement developed by the State with the individual homeowner, similar to other single-family construction agreements. The Construction Agreement will include a Grant Agreement by reference and will either be the entire or partial source of the funding for the Construction Agreement. Up to \$150,000 will be made available per home for the RREM Program. If additional funds are needed to complete the scope of work, the homeowner must place those funds in an escrow account at the time the Construction Agreement is executed. Both the CDBG funds and the private escrow funds supplied by the homeowner will be released from a program escrow account only after the related work is completed and a program approved draw request package (forms will be included in the RFQ) has been submitted and accepted by the Program. Once the draw requests have been signed off by the Program Manager and in some cases the homeowner, the payment will be processed and placed in an escrow account by the program designated payor for release to the builder. **THE BUILDER WILL NOT HAVE A CONTRACT WITH THE STATE OF NEW JERSEY, DEPARTMENT OF COMMUNITY AFFAIRS, OR THE PROGRAM MANAGERS DIRECTLY UNDER THE RREM PROGRAM. HOWEVER, TO PARTICIPATE WITH RREM HOMEOWNERS, THE GENERAL CONTRACTOR/BUILDER WILL NEED TO BE IN THE QCP.**

Individual homeowners may be assigned directly to a builder, or requests for bids to rotating builders in the QCP will be used to establish the parties for the Construction Agreement. Considerations of capacity, location, and construction preference (rehabilitation or reconstruction-complete rebuild) may be taken into consideration based on the Builder Responses to the Request for Qualifications to be issued on June 17, 2013.

Draw requests for reimbursement of funds for rebuild projects will be requested by the builders only at the 33%, 66% and final completion periods. A 10% retainage will be held for 30 days after successful completion of a final RREM Program inspection and final draws have been submitted to ensure that no liens are in place and that all work on the home has been completed, including punch list repairs.

General Contractors participating in the program will be required to provide all professional labor, equipment, and materials adequate to perform the work in accordance with the scope of work issued for each home. General Contractors must also comply with all local, state, and federal laws, regulations, and guidelines to include compliance with HUD Community Development Block Grant disaster laws, regulations, and guidelines (e.g., Section 3, Green Build/Energy Star), if applicable.

Next Steps/Timeline

General Contractors, licensed or registered as appropriate and required, to conduct business in the State of New Jersey, should submit their Notice of Interest Response by answering the questions on the attached response sheet and sending it to the listed contacts. The information requested in the Notice of Interest Response is a shorter version of the information required under the more complete Request for Qualifications that will be issued within the next 2 weeks. It is not a requirement that General Contractors respond to this Notice of Interest to respond to the Request for Qualifications, but it may result in the General Contractor directly receiving the Request for Qualifications the day it is released. It is anticipated that the Request for Qualifications will have a limited response time for the first QCP. **IF GENERAL CONTRACTORS ARE INTERESTED IN PARTICIPATING IN THE RREM PROGRAM, ATTENDANCE AT ONE OF THE PRE-RESPONSE CONFERENCES WILL BE REQUIRED.**

The following table is an estimated timeline for creating the initial Qualified Contractor Pool:

Date	Event	Action/Response Required
June 6, 2013	Publication of Notice of Interest	Notice of Interest Response/ Requested but Not Required
June 17, 2013	Publication of the Request for Qualifications	Review RFQ and if interested in participating, attend the Mandatory Pre-Response Meeting
June 18 , 2013 at 10:00 a.m.	Pre-Response Conference in Atlantic County	Attend One Conference
June 18 , 2013 at 3:00 p.m.	Pre-Response Conference in Monmouth County	Attend One Conference
June 19, 2013 at 10:00 a.m.	Pre-Response Conference in Hudson County	Attend One Conference
June 21, 2013 no later than 3:00 p.m. (EDT)	Responses DUE	General Contractor must respond to participate in first Qualified Contractor Pool (Electronic Delivery Required)
June 24, 2013	Announce Qualified General Contractor Pool 1	
July 17, 2013	Publication of Rolling RFQ Pool 2	General Contractor must respond to participate in second Qualified Contractor Pool
August 17, 2013	Publication of Rolling RFQ Pool 3	General Contractor must respond to participate in third Qualified Contractor Pool
September 17, 2013	Publication of Rolling RFQ Pool 4	General Contractor must respond to participate in fourth Qualified Contractor Pool