

Christie Administration Simplifies Contractor Selection Process for Sandy-Impacted Homeowners in State's Largest Housing Recovery Program

For RREM Grant Awards Signed Beginning July 1, 2014, All Homeowners Will Select Their Own Contractor to Rebuild Their Sandy-Damaged Home

Trenton, NJ – Continuing its ongoing efforts to give homeowners flexibility to rebuild their Sandy-damaged homes, the Christie Administration simplified procedures effective today under which all eligible applicants in the federally-funded Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program can select the contractor they want to use, provided they are registered and licensed in the State of New Jersey.

“A majority of the more than 3,000 homeowners who have signed RREM grant awards have decided to rebuild their homes with their own contractor,” said Commissioner Richard E. Constable, III of the New Jersey Department of Community Affairs, which administers the RREM Program. “As a result, we have modified the RREM Program so that for grant awards signed starting today, July 1, 2014, all homeowners will select their own contractor.”

While homeowners can choose from a myriad of qualified contractors throughout New Jersey, the State will make available to all eligible RREM applicants a list of contractors that are participating in the RREM Program's qualified builder pool and that have gained experience in the RREM process. Additionally, the RREM Program will provide outreach and training materials to assist homeowners in managing their construction process.

This program change does not impact homeowners who signed their RREM grant award prior to July 1 and opted to use a contractor assigned by the program. These homeowners will continue forward unchanged.

“Today's announcement is one of several modifications we've made to continue to improve the RREM Program,” Commissioner Constable said. “For example, we now allow RREM awardees to request an advance payment of 50 percent of their grant award and we've streamlined processes to reduce the number of visits applicants must make to a Housing Recovery Center. All of these improvements help to get applicants back in their homes faster.”

Each homeowner is assigned a RREM Program Manager who will provide the details of the scope of work, review and validate the construction contract and contractor, review construction invoices, perform a site visit upon completion, and monitor for project closure.

The homeowner's RREM Program Manager will also provide a briefing on construction requirements and will give each homeowner a recommended Contractor Addendum to include in their contract to ensure all program and federal requirements are met as necessary in receiving these rebuilding grant funds. All construction, including elevation if it is part of the scope of work, must be completed within one year from the date of the RREM grant award signing.

Aside from RREM Program Manager, homeowners can engage advocates from long term recovery groups and other non-profit organizations to assist them with the choices and details of their reconstruction or rehabilitation process.

The RREM Program, which is the state's largest housing recovery program, provides grants to Sandy-impacted homeowners to cover rebuilding costs up to \$150,000 that are not funded by insurance, FEMA, U.S. Small Business Administration loans, or other sources. For an overview of the RREM Program, go to www.renewjerseystronger.org/rrem/.

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