



NYC Build it Back Repair Program Choose Your Own Contractor Summary of Terms

Note: This document summarizes the provisions of a 27-page document entitled “Terms.” A contractor participating in the program should read and understand the Terms before applying for the program. If there is a conflict between this summary and the Terms, the Terms govern.

Article 1. Payment. The City shall make three payments for satisfactory work to the Home Improvement Contractor (“HIC”) during the term of a Home Improvement Contract. A NYC Housing Recovery Office (“HRO”) Inspector will determine the amount of each payment, based on the amount of Work complete. The first two payments shall be subject to a 5% retainage and will be capped at 80% of the total value of the Home Improvement Contract.

Article 2. Term & Work. The HIC shall attend a Joint Scope Meeting with the City and the Homeowner. At the Meeting, the City’s Architect or Engineer will establish the Scope of Work. After the Meeting, the Homeowner determines whether he or she wants “upgrade” items that are not fully paid for by the City (“Homeowner Custom Enhancements”). The Contractor and Homeowner negotiate the price for Homeowner Custom Enhancements and submit the final Home Improvement Contract, including the Scope of Work, to the City for approval.

Article 3. Indemnification & Notice of Loss. The HIC shall defend, indemnify, and hold harmless the City and the Homeowner.

Article 4. Inspections & Audits. There will be at least three inspections by HRO Inspectors: a 14-day inspection, an inspection before walls are sealed, and a final inspection. The HIC is required to cooperate with the City’s Integrity Monitor.

Article 5. Bonds. The HIC shall obtain blanket performance and payment bonds for \$250,000. The total of all Home Improvement Contracts under this program shall not exceed \$250,000 without written permission of the City, which is conditioned on bonds that cover the full value of work.

Insurance. The Contractor shall maintain insurance, listing the City of New York (including officials and employees) and Homeowner as additional insureds, in the following minimum limits:

- Commercial General Liability: \$1 million per occurrence combined single limit; \$4 million aggregate
- Workers’ Compensation, Employers’ Liability, and Disability Benefits Insurance: Statutory.
- Commercial Automobile Liability: \$1 million per occurrence combined single limit
- Contractor’s Pollution Liability: Required only if the Home Improvement Contract requires lead, mold, or asbestos abatement -- \$1 million per occurrence.
- Professional Liability: Required only if Homeowner Custom Enhancements require architectural or engineering services.

Article 6. Changes. The City must authorize any changes to the Scope of Work.

Article 7. No Estoppel. The City is not estopped from recovering damages, overpayments, or showing the true character of work done.

Article 8. Employees and Labor. The HIC and its subcontractors shall employ competent workers. It shall not utilize labor, materials, or means that may result in strikes. The HIC shall not discriminate. The HIC shall pay its employees no less than the minimum wage. Working conditions shall not be unsanitary or hazardous. Employees shall wear laminated identification tags while on site.

- Article 9. Records and Audit.** The HIC shall maintain records relating to this project for at least 3 years. The City, state, and Federal government may audit such records.
- Article 10. Program Director – Housing Rehabilitation’s Right to Declare HIC in Default.** HRO may declare the HIC in default for several reasons by providing notice to the HIC. The HIC shall have an opportunity to be heard upon not less than two days’ notice.
- Article 11. Exercise of the Right to Declare Default.** HRO shall send a notice declaring the HIC in default. The HIC may protest a final determination of default by filing an Article 78 lawsuit.
- Article 12. Completion of the Work.** After declaring the HIC in default, HRO may have the Work completed by another contractor and the HIC shall be liable for any additional costs.
- Article 13. Partial Default.** HRO may declare the HIC in partial default and engage another contractor to complete the Work covered by the declaration of partial default.
- Article 14. Confidentiality.** The HIC shall hold confidential all information furnished to the HIC under the Home Improvement Contract.
- Article 15. Claims and Actions Thereon.** Any lawsuit by the HIC must be commenced within one year after final acceptance of the Work under a Home Improvement Contract.
- Article 16. Investigations Clause.** The HIC is required to cooperate with any investigation concerning the Work under a Home Improvement Contract.
- Article 17. Termination by the City.** HRO may terminate the HIC’s registration at any time and shall pay for completed work according to the formula in the Terms.
- Article 18. Choice of Law, Consent to Jurisdiction and Venue.** The Work is governed by New York Law and all claims shall be determined in New York Courts in the City and County of New York.
- Article 19. Prohibition of Tropical Hardwoods.** Tropical hardwoods may not be used in the Work.
- Article 20. Conflicts of Interest.** City conflicts of interests laws apply to the HIC and its subcontractors.
- Article 21. Small Firms, M/WBE Firms, and Labor Surplus Area Firms.** The HIC shall take affirmative steps in the letting of subcontracts in order to ensure that minority firms, women’s business enterprises, and labor surplus area firms are used when possible.
- Article 22. Debarment Certification.** The HIC certifies that it is not in state of debarment by the City or federal government.
- Article 23. Suspension of HUD Funding.** The Terms may be suspended if the federal grant to the City that covers the CYOC Program is suspended or terminated.