



TIMELINE AND SEQUENCE OF EVENTS FOR THE INSPECTION AND REHAB PROCESS FOR LAKE COUNTY OWNER OCCUPIED REHAB (LCOOR), IHDA HOME ACCESSIBILITY PROGRAM (IHAP) AND CITY OF EVANSTON REHAB PROGRAM (ERP) PROJECTS

After completing the loan application process and having been approved for a deferred loan, the construction rehab process will begin. It is important to note that references to Affordable Housing Corporation of Lake County will begin to be referenced. AHC is the construction partner of Community Partners for Affordable Housing, and it is through AHC that the all actions involved in the rehab process are completed.

The following is a timeline and sequence of events involved in the inspection and rehab process. Please be aware, that specific events may occur out of sequence, from the order in which they are listed here, without causing a delay in the overall process.

Inspection Request:

The Homeowner will receive either an email or a phone call (if the Homeowner does not have an email address), from the AHC Project Manager, requesting a date and time to complete the required rehab inspection. It is extremely important that the process for each of the Programs, moves along expeditiously and without delay, and in order to achieve this, the date and time that is agreed upon between the Homeowner and the AHC Project Manager, must be kept. It should be only in cases of emergencies, that the Homeowner should request a change of date.

Rehab Inspection:

Inspections are conducted on Monday, Tuesday or Friday of each work week. A start time of approximately 10 am, is typically requested to ensure that there is enough time available to complete the entire inspection on the day it is scheduled.

Inspection Protocol – Lake County OOR Program and City of Evanston CDBG Rehab Program:

The home inspection, on average will take between 2.5 - 3.0 hours to complete and will encompass the entire exterior and interior of the home. Detached garages, and other exterior structures like storage sheds, are excluded from the Program unless they have deteriorated to a point that they pose a safety concern. The inspection focuses on life, safety, health and code related items, and includes independent testing for the presence of Lead Based Paint and Radon Gas. Please assist the Project Manager by pointing out any areas of concern so that the Project Manager may evaluate them for inclusion in the inspection report, otherwise known as the Work Write Up (WWU) as explained later in this document. The homeowner will have the opportunity to review and discuss the WWU before “bidding” the job and moving forward with the project. However, the AHC Project Manager is the deciding authority for determining what items are eligible for repair or replacement. Please note that non-essential or “luxury” items including Air Conditioning Systems, that are not required for a safe, healthy, and building code compliant home, cannot be included in the inspection report, unless special circumstances exist.

Inspection Protocol – IHDA HAP Program:

The IHDA HAP Program home inspection, on average will take between 2.5 - 3.0 hours to complete and will include modifications that will improve the home's overall accessibility for the Homeowner. The guidelines for making accessibility modifications will be the Illinois Accessibility Code. The type of accessibility modifications to be included, will be based upon the AHC Project Manager's evaluation and understanding of the Homeowner's current needs, their projected future needs, and the home's "as-built" (the way the home was designed and constructed) condition. Additionally, because there is no requirement for single family homes to be ADA compliant, particular modifications may not be possible, may only partly comply with the ADA guidelines upon completion, or may not be feasible because the costs involved to make the modifications, would exceed the Homeowner's approved loan amount. Additionally, the AHC Project Manager may be required to include work items that are not accessibility related. These items would be related to life, safety, health and code compliance, like those of the OOR Program. The inspection also includes independent testing for the presence of Lead Based Paint and Radon Gas. The AHC Project Manager is the deciding authority for determining what items are eligible for repair or replacement. Please note that non-essential or "luxury" items, including Air-Conditioning Systems, that are not required for accessibility, safety, health, and building code compliance, cannot be included in the inspection report, unless special circumstances exist.

Lead Based Paint Inspection:

If the home was built prior to 1978, an inspection for the presence of lead based paint is mandatory and will be scheduled with an independent inspection firm. If the lead based paint inspector's schedule does not allow for them to conduct their inspection at the same time as the AHC inspection, the Homeowner will be contacted directly by the lead based paint inspector, to schedule the inspection on a different date and time. The AHC Project Manager will provide the inspector with all Homeowner contact information.

Radon Gas Testing and Mitigation:

All OOR and HAP projects must undergo mandatory testing for Radon gas. Radon gas is a colorless, odorless, and tasteless, radioactive gas that's formed during the natural breakdown of uranium in soil, rock, and water. Radon gas exits the ground around and under the home and can seep into it through cracks and holes in the foundation walls or concrete floor slab. The test involves the AHC Project Manager placing a small cardboard test envelope in the lowest accessible level of the home, where it will remain for 72 hours. The AHC Project Manager will then instruct the Homeowner to avoid the test area where the envelope is placed and to keep the home closed as much as possible during the testing period. The AHC Project Manager will coordinate a day and time to return to the home, after the 72 hour test period has elapsed, to pick up the test envelope. The envelope will then be sealed and mailed to an independent laboratory in order to determine the test results. The AHC Project Manager will receive the test results via. email, typically within 10 days of the mailing date. If the test results show a level of 4.0 or higher (4.0 is the designated action level), a Radon Mitigation System must be installed as part of the scope of work to be completed in the home.



Homeowner Responsibilities to Prepare for Inspection:

During the home inspection process, the AHC Project Manager must have access to all rooms and areas within the home, in order to meet the mandated inspection requirements. If rooms or specific areas within the home are not accessible, it is the Homeowner's responsibility for correcting this condition by moving or relocating items and other personal property from the home and into a storage facility or to a vacant room that has adequate space to store the items while still ensuring accessibility to the interior walls. If the AHC Project Manager, upon their arrival deems that a complete and comprehensive inspection cannot be conducted due to a lack of accessibility, the inspection will not occur and will be rescheduled for a later date, that is agreed to by the Homeowner, and that will give them enough time to correct the existing conditions within their home. The Homeowner is also asked to clean the home to a reasonable level that will allow the inspector to view the various surfaces of the carpet, hard surface flooring, countertops, walls and the like.

Work Write Up and Test Results:

At the conclusion of the inspection, the AHC Project Manager will begin assembling the Work Write Up (WWU). The Work Write Up will consist of all items noted by the AHC Project Manager that require repair or replacement and will be arranged in room by room format. Upon receiving the results of the Radon Gas and Lead Based Paint test and/or inspection, the results will also be added to the Work Write Up if the Radon tests results are higher than the allowable limit or there is the presence of Lead Based Paint. When the Work Write Up has been finalized, a copy of the report, without estimated costs, will be sent to the Homeowner via. email or a hard copy mailed via. U.S.P.S for the Homeowner's review and approval of its content. The Homeowner will have 3 days to review and approve the Work Write Up.

General Contractor Bidding Process:

Once the Homeowner has approved the Work Write Up, it will be sent to the list of AHC-approved General Contractors for bidding purposes. AHC maintains a list of Approved Contractors that have been carefully screened, including review of their financial information, reference checks, confirmation of insurance coverage, verification of proper licensing, and review of previous work. The typical bid period is 10 working days or 2 calendar weeks. All bids are formal and submitted to AHC in a sealed envelope. When the deadline for bid submission arrives, the bids will be opened in the presence of at least two AHC staff members, and the qualified, low bidding General Contractor for the entire scope of work for the project, will be identified and awarded the project. The Project Manager will then contact the homeowner and provide them with a copy of the Cost Reasonableness Evaluation Letter for their project, which documents all bid prices submitted, which will allow the homeowner to see the final results of the bidding process.

Loan Closing and Scheduling of the Pre-Construction Conference:

The AHC Project Manager will provide CPAHs Director of Underwriting with the project's bidding results. The Director of Underwriting will then prepare all necessary loan documents and scheduling the loan closing date with the Homeowner. During the loan closing the Homeowner will be presented with a date and time on which to conduct the Pre-Construction Conference. This date will have already been pre-arranged and given a tentative status until the Homeowner approves it. At the loan closing, the homeowner will be given a copy of the winning bid and the Rehab Agreement that you will be signing with the General Contractor. Homeowners should review these documents and address any concerns with the Director of Underwriting prior to the Pre-Construction Conference. Upon acceptance of the date and time, the Pre-Construction Conference will be scheduled with the AHC Project Manager, General Contractor and Homeowner and will take place at the Homeowner's residence.

Pre-Construction Conference:

During the Pre-Construction Conference, the Homeowner will meet the General Contractor. During the conference, all Rehab Agreement package documents will be signed, and all three parties provided with a complete set. The agreement package documents consist of a Notice to Proceed, a copy of the General Contractor's bid for the project showing their costs, and a copy of the Contract for Owner Occupied Rehab (OOR) - Home Improvement, the Contract for Home Accessibility Rehab (HAP) – Home Improvement, the City of Evanston CDBG (Community Development Block Grant) Rehab Agreement or the City of Evanston IHDA SFR (Single Family Rehab) Agreement. It is important that the Homeowner understands that the Rehab Agreement is by and between the Homeowner and the General Contractor. The responsibilities of AHC is to act as a facilitator for the project to ensure its timely completion, in accordance with the Work Write Up, and to act as an objective mediator for disputes between the Homeowner and General Contractor.

Building Permit Application and Issuance, and Contractor Mobilization:

The General Contractor shall be responsible for applying for and obtaining the required building permits, based on the scope of work. The Notice to Proceed document allows a 30 days period in which to apply for and obtain the required building permits. However, during the construction season, the building departments in the various municipalities become quickly backlogged with permit requests and the 30 day period may be exceeded by as much as 150% (12 weeks total). If the permit issuance takes longer than the 30 day allotted period, the completion date for the project will be extended by the same number of days that the permit issuance took, beyond the 30 day period. The contract extension is tracked by and a function of the AHC Project Manager. Additionally, the General Contractor will be allotted 10 calendar days after the issuance date of the building permit, to mobilize and start the project.

Rehab Process:

The Notice to Proceed also states that the number of days to complete the project rehab work in accordance with the Work Write Up will be 60 days for all projects, unless stipulated otherwise. A project start date and a project completion date are shown in the document. The Homeowner's responsibility is to provide free and ready access to their home for the entire rehab period, daily from 7 am to 5 pm, Monday thru Friday. Prior to the start of the rehab work, it is advisable that the Homeowner remove all delicate, easily breakable items from the home for the entire rehab period. The General Contractor will be responsible for requesting all required municipal (Building Department) inspections as the work progresses and for obtaining the Certificate of Occupancy (if issued by the municipality) at the completion of the project. The General Contractor will "broom clean" the work areas at the end of each day, will keep the worksite in a safe condition, and will protect areas of the home, not scheduled for rehab work, from those where the work is occurring. If the Homeowner has any questions concerning the work being done, or any other questions related to the project, they should be addressed directly with the General Contractor or their site foreman or representative.

Change Order Process:

The Change Order process will be used in instances where as-built conditions of the home or other external factors, that could not have been known or anticipated, effect the work in progress. When these situations are encountered and changes to the original Work Write Up must occur, a Change Order will be generated. The General Contractor will submit a Request for Change Order to the AHC Project Manager which details the conditions encountered, what need to be done to correct them and any changes to the costs included in the approved bid. If deemed acceptable, the AHC Project Manager will create a Change Order which will require the Homeowner's and General Contractor's signature, so that consensus agreement on the need for the change is reached. Change Orders may affect the Homeowner's loan amount. The Director of Underwriting will explain any loan changes to the Homeowner and the loan modification process. The AHC Project Manager will present any modified loan paperwork, for signature, to the Homeowner at the completion of the project.

Payment Draw/Invoice Inspections for Lake County OOR and HAP Projects:

During the rehab process, the General Contractor may wish to submit for a partial "draw" or payment. This request is submitting by an invoice to the AHC Project Manager that lists the work completed to date. The Project Manager will schedule an inspection with Lake County, who is the source of the funding for the project. The Homeowner must be present for these inspections. These inspections are scheduled for Tuesdays and Thursdays only, and will be attended by the Homeowner, the AHC Project Manager, the General Contractor, and a Lake County inspector. The invoice submitted for payment will be reviewed in it's entirely by the Lake County inspector to determine the completion status of each item being invoice for. When the invoice has been approved by the Lake County inspector, the AHC Project Manager will request the Homeowner's signature on a Partial Completion Certificate which authorizes payment to the General Contractor for the work completed, to date. There will also be a final "draw" or payment inspection, where the last items to be completed will be invoiced for and inspected. AHC is required to hold as 'retainage', 10% of the final invoice payment for 30 days, after which, the money will be released to the Contractor. If the homeowner has any issues concerning the work completed, they should contact the Project Manager prior to release of the retainage money.



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Payment Draw/Invoice Inspections for Illinois Housing Development Authority (IHDA) HAP Projects and City of Evanston Rehab Program Projects:

The payment/draw process for IHDA HAP projects is essentially the same as for Lake County funded projects, except that the invoice inspector is the AHC Project Manager. Some of the forms and paperwork differs, but has the same purpose, which is to apply for the funds needed to make payments to the General Contractor.