NY Rising Housing Recovery Program: Rental Properties Program Hiring a General Contractor

Revised May 27, 2014

The general contractor (GC) is the individual or company you hire to manage your construction project, whether it is the repair, elevation, or full reconstruction of your dwelling. Your GC will be responsible for managing all aspects of the job: estimating material quantities and costs, sub-contractor hiring, scheduling, and daily oversight. A typical construction project has many moving pieces that your GC will manage on your behalf. The GC knows who is doing what, where, when and why — putting all the pieces of your puzzle together.

General contractors must be licensed in Suffolk, Nassau, Westchester, Putnam, and Rockland counties. Before you hire a GC, click on your county name (above) to check whether the contractor is licensed or registered in your county. If you live in a county not included in the above list, check with your local municipality for licensing requirements.

In addition to county licenses, your local city, town, village or hamlet may also require your GC to be licensed in their jurisdiction. Check with your local building department. In many cases you will need a New York State licensed architect or engineer for plan submittal. NY Rising Housing Recovery Program requires that you hire a New York State licensed architect or engineer for any construction or reconstruction project in excess of $10,000.00.

All general contractors should provide you with proof of the following:

- County license, number and expiration date
- Name as it appears on license and on record at consumer affairs office
- Physical address of their business or as it appears on record at consumer affairs office
- General Liability insurance, naming you as an additional insured on their policy
- Workers Compensation Insurance
- Auto insurance
- Builders Risk insurance (coverage for your structure from loss during construction) you should also verify how your general contractor ensures that his subcontractors are fully insured. Your county will have a web site to verify license, name, address and expiration dates.

When hiring a GC, treat the process like any job interview: ask for references and samples of their previous work, review your proposed scope of work and ask for an estimate for the project. Verify the

references and ask about the quality of their previous work and satisfaction of the overall project. You may also wish to request and compare estimates from several different contractors.

New York State law requires a general contractor to provide a written contract for home improvement work. Contracts must be in writing, legible and easy to comprehend. A copy must be given to the customer before any work is done. Your General Construction contract should contain the following:

- GC's name address and telephone number.
- Approximate start date and completion dates with contingencies which would change the completion date.
- A specific description of the work, materials, brands, model numbers and other applicable information related to your specific project along with a price.
- An established payment schedule; often this could be an initial deposit and subsequent progress payments until the work is completed.
- Final payment is contingent on a completed punch list and all required inspections, Certificate of Occupancy and all related NY Rising Program requirements.

The Program recognizes its obligation to promote opportunities for maximum feasible participation of certified Minority and Women Owned Enterprises, and the employment of minority group members and women in the performance of all New York State and CDBG-DR funded contracts. The Program encourages the hiring of Minority and Women Owned Enterprise which is a business that has a specific ownership composition of minimally 51%.

Pursuant to Section 3 of the Housing & Urban Development Act of 1968, The Program is committed to ensuring that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, be directed to low- and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

A "Section 3 resident" is: 1) a public housing resident; or 2) a low- or very low- income person residing in the metropolitan area or Non-metropolitan County where the Section 3 covered assistance is expended. A "Section 3 business concern" is a business that can provide evidence that they meet one of the follow criteria: 1) 51 % or more owned by Section 3 residents; or 2) at least 30% of its full time employees include persons that are currently Section 3 residents, or were Section 3 residents within three years of the date of first hire; or 3) provides evidence, as required, of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to business concerns that meet one of the preceding two qualifications.