



# SCOPE DEFERMENT

Restore Louisiana supports Fair Housing/ Equal Employment Opportunity/ADA Accessibility Homeowners who cannot fulfill their escrow or homeowner responsibility obligations at the time of grant execution may be eligible for Scope Deferment to the extent that their eligible repair scope includes items that are non-essential for occupancy or habitability. Scope Deferment is not intended to remove the cost of the scope item from the responsibility of the homeowner, but rather to defer the work to the end of the construction project.

**Restore Louisiana may be able to defer part of the escrow or homeowner responsibility amount by moving some items listed on the Estimated Cost of Repairs (ECR) to the end of the construction project for the homeowner to complete on their own. Deferring scope items to the end of the construction project does NOT remove the item (and the associated cost) from the homeowner's scope. All deferred scope items MUST be completed.**

The standard list of repair items eligible for Scope Deferment includes but is not limited to:

- Interior painting of walls
- Interior painting of ceilings
- Interior painting of baseboards/trim/doors
- Carpet or vinyl flooring

**Homeowners are encouraged to work with their assigned case manager to determine if Scope Deferment would be an appropriate option. Homeowners who are eligible for Scope Deferment must sign a Scope Deferment Acknowledgement Form confirming their understanding of the policy and agreeing to complete deferred scope items at a later time.**

## UNDERSTANDING “HOMEOWNER RESPONSIBILITY” OR “ESCROW”

In cases where a homeowner received or was approved for funding from other sources to repair their flood-damaged home, federal law requires the amount of those funds to be invested by the homeowner into the construction project before the program may provide additional dollars for the same purpose.

### SOLUTION 1: PROGRAM MANAGED CONSTRUCTION

- The “required escrow” funds referenced in the Award Acknowledgment will be collected at closing in the form of a cashier's check. These funds are matched with grant funds from the program to ensure the repair/reconstruction project is fully funded and complete.
- For Solution 1 homeowners, Scope Deferment will allow the program contractor to begin construction without requiring an up-front deposit of escrow equal to the amount of deferred scope line items (net). Please note that the payment of any escrow amount that can't be deferred will still be required before construction may begin, and homeowners must complete all deferred scope items at the end of the construction project.

### SOLUTION 2: HOMEOWNER MANAGED CONSTRUCTION

- The “homeowner responsibility” amount referenced in the Award Acknowledgement must be spent on home repairs listed in the Estimated Cost of Repairs (ECR) prior to receiving program grant funds. Once the program inspects and confirms completion of items in the ECR totaling more than the homeowner responsibility, grant funds may be disbursed in accordance with items and costs outlined in the grant agreement.
- For Solution 2 homeowners, Scope Deferment will reduce the amount of homeowner responsibility funds that an applicant must invest in the construction project before they are able to begin receiving grant disbursements. Please note that homeowners must complete all deferred scope items at the end of the construction project.

