



CONTRACTOR BASICS

The Restore Louisiana Program allows homeowners to manage their own repairs or reconstruction through Solution 2. Homeowners may select a Louisiana-licensed residential contractor, or for projects under \$75,000, a certified home improvement contractor. The program provides reimbursement funding for eligible repairs and conducts progress inspections throughout the project.

WHAT YOU SHOULD KNOW

- The program monitors all Solution 2 projects through scheduled progress inspections
- Payments are made in up to five draws, based on completed, approved phases of construction
- The first progress inspection must occur within 180 days of grant execution
- Projects must be completed within 365 days of grant execution
- All contractors must be licensed and insured (verified by the LA State Licensing Board)

HOW THE GRANT AWARD IS CALCULATED

Estimated Cost of Repairs (ECR) – Duplication of Benefits (DOB) = Program Grant Award

The ECR includes:

- Eligible repair or reconstruction costs based on Xactimate pricing
- 20% for contractor overhead and profit
- Based on economy-grade materials

Homeowners are responsible for the extra costs of higher-end materials.

Example Award Calculation

Estimated Cost of Repairs (ECR) (Eligible repairs observed during the damage assessment)	\$40,000.00
ECR Overhead (20%)	\$8,000.00
Total Estimated Cost of Repairs with Overhead	\$48,000.00
Reimbursement Estimate (Completed repairs observed during damage assessment)	\$25,000.00
Reimbursement Estimate Overhead (20%)	\$5,000.00
Total Reimbursement	\$30,000.00
Total DOB (FEMA, Insurance, etc.)	\$35,000.00
Homeowner Responsibility In this case, the applicant received \$35,000 in DOB but can only be credited with \$30,000 in completed repairs. As a result, the applicant must invest \$5,000 into additional repairs before any program funds can be drawn.	\$5,000.00
Maximum Repair Award (Program will fund)	\$43,000.00

CHANGE ORDERS

Contractors are encouraged to walk through the project and confirm the scope of work with the Applicant.

- Must be submitted **before** work begins
- Require supporting documentation and program approval
- Used only for unforeseen conditions or necessary adjustments to the ECR

UNDERSTANDING DOB & HOMEOWNER RESPONSIBILITY

- A **Duplication of Benefits (DOB)** happens when money has been received from FEMA, insurance, SBA, or a charity for the same damage. These funds must be used before program funds can be provided.
- A **homeowner responsibility** occurs if you received more in DOB than what the program can verify through completed repairs.

If you've received more assistance than what the program can confirm was used on repairs, you'll need to spend the difference first—this is your homeowner responsibility.

PAYMENT PROCESS & DRAWS

- The homeowner and contractor create a **Project Plan** with a projected schedule and inspection timeline.
- As ECR items are completed and inspected, payment requests are submitted.
- Payments are issued as **two-party checks** to the homeowner and the contractor.
 - The program does **not issue advance payments**.
 - The program does not pay for materials purchased but not installed.
 - The program is **not a party to your contract** and does **not guarantee workmanship**.
- If a homeowner has submitted a **Self-Managed Prospective Repairs (SMRP)** form, **all payments are issued as single-party checks to the homeowner**, even if a contractor agreement is on file.
- Contractors are encouraged to work with homeowners to set clear payment terms and expectations.

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