PLANNING A VINTAGE HOME REHAB PROJECT?
Neighborhood Housing Services of Chicago (NHS), the parent organization of the Chicago Greystone & Vintage Home Program®, offers affordable, fixed-interest rehab and purchase-rehab lending.* All NHS lending clients are assigned an expert Construction Specialist who will help them develop a scope of work, solicit bids from contractors, and monitor the progression of the vintage rehab project.

For more information on lending resources, please call 773-329-4111 or visit www.nhschicago.org

“FRIENDS OF” PROGRAM
A free program that will help the Chicago Greystone & Vintage Home Program keep you updated about programs, resources, and events relevant to vintage rehabbers and those who care about Chicago’s built heritage. Benefits include:

• Priority access to upcoming programs and workshops
• Invitations to exclusive special events including unique tours of West and South Side locations
• Special offers from Chicago Greystone & Vintage Home Program partners
• Quarterly e-newsletter

CONTACT US
For more information about the Chicago Greystone & Vintage Home Program, and to join our “Friends of” program please call: 773-329-4111 or visit nhschicago.org

SOLICITING/EVALUATING CONTRACTOR PROPOSALS

• A good contractor bid or proposal should include the following items: a detailed scope of work; quantity (i.e., X number of windows or doors); location; special conditions (i.e., retaining and reusing trim); installation methods; quality/material type; performance standard (i.e., requirements to secure product warranty or historic preservation best practices); cash allowances (if you are selecting particular materials); language you can understand; and roles and responsibilities.

• All bids should be in writing and specific enough so that you can see what each work item costs. This is called a line item bid. If a contractor feels that additional repairs are needed for a project beyond what is requested (i.e., replacing the plumbing running to a bathroom that is to be rehabbed), then these should also be listed as separate line items so you can evaluate their cost.

• Get firm, line-item bids from three contractors. Do not sign any estimate until you have done all necessary due diligence and selected the contractor you feel is best for the job. Do not pay for any estimates.

• Agree on the payment upfront. It is best to agree that you will pay the exact amount that includes all costs for the project rather than paying hourly.

• It is standard to make partial payments as the job is completed, either based on percentage of work completed (i.e., 20%, 40%) or at previously agreed upon milestones.

• If advance payment is needed to secure particular products or materials (i.e., windows, cabinets, etc.), those payments should be made directly to the vendor and all purchases should be made in your name rather than that of the contractor.

TIPS REGARDING BUILDING PERMITS

• Virtually all rehab projects in the City of Chicago require a building permit. Permits for larger jobs can take longer to secure, so plan your project accordingly.

• The contractor’s proposal should specify who will be responsible for securing and paying for the permit (i.e., the homeowner, the contractor, a permit expediter).

• Regardless of who picks up the permit, it is always the homeowner’s responsibility to make sure that a permit has been pulled for the project and is properly displayed on site.

• Failure to secure a proper building permit can result in stop work orders, fines, and the removal of all unpermitted repairs.

SELECTING CONTRACTORS

• The City of Chicago requires General Contractor or Home Repair Licensing. Additionally, masons, electricians, plumbers, and roofers must have appropriate specialty licensing. Ask the contractor for copies of the licenses the contractor (and their sub-contractors) hold.

• Solicit bids from contractors with the right experience for the job. For example, a contractor that principally does new construction may not be right for your vintage rehab project. If you are looking for experienced historic preservation contractors, start with Landmarks Illinois “Illinois Restoration Resources” Database: http://landmarks.org/restoration_resources/introduction.htm

• Check that the contractor has proper insurance coverage. At Neighborhood Housing Services of Chicago we require any contractor working with our clients to carry comprehensive liability insurance (protecting the Contractor and Homeowner) of no less than $1,000,000 and workers compensation insurance of no less than $100,000.

• Ask the contractor for references from three recent projects similar to the work you are requesting that the contractor has completed. Contact the references regarding their experience. If the project involves prominent or visible repairs (i.e., historic masonry repair or a kitchen rehab), try and go see the completed work in person.

• Resources for checking for complaints against contractors:
  o City of Chicago Department of Buildings
  o City of Chicago Department of Consumer Affairs
  o Better Business Bureau of Chicago & Northern Illinois
  o Illinois Attorney General

• Don’t sign any proposal agreement unless it is with the contractor you have selected (after checking references, etc.) and it says exactly what work is to be done, when and how the payments will be made; and everything else you have agreed upon.

• Be sure the contract states the start and completion date for all work. The contract should say exactly how you know whether the work will be done properly and what will happen if the work is not completed on schedule.

Many vintage building owners find rehab projects stressful – especially when it comes to identifying contractors and selecting competing bids for repairs. How do you know if a contractor is the right one for the job? How do you differentiate a good proposal from a bad proposal? When do you need building permits? While there is always a chance for surprises, the following pro tips should help you get your next vintage rehab project off on the right footing.