



# The California Department of Housing and Community Development's (HCD) ReCoverCA Community Development Block Grant

## Disaster Recovery Housing Construction Webinar

### Frequently Asked Questions

**Question (Q):** How do we receive updates on the program status?

**Answer (A):** [Click here to visit our program website](#) and click the “Sign Up for Updates” link in the top right-hand corner.

**Q:** I was not able to attend the Disaster Recovery Housing Construction webinar on August 27, 2020. Is there a recording of it I can view?

**A:** Yes. [Please click here to access the recording.](#)

**Q:** Where and when will the upcoming RFP be posted?

**A:** The RFP will be posted on the Cal eProcure website at [caleprocure.ca.gov](http://caleprocure.ca.gov) on September 2, 2020.

**Q:** Will you provide a list of participating prime contractors for sub-contractors to get in contact with them?

**A:** HCD has created a survey to collect contact information and interest from prime contractors, general contractors, sub-contractors and skilled laborers. This list will be posted on HCD's website to aid in connecting interested parties together. [Click here to take a survey](#) and express interest in partnering, or [haga clic aquí para la encuesta de ReCoverCA para contratistas en español.](#)

**Q:** Where will the construction work be performed? Are there specific counties or areas of the State that are eligible for this program?

**A:** Yes; The ReCoverCA Program will address unmet recovery needs related to the FEMA Major Disaster Declarations DR-4344 in October 2017 and DR-4353 in December 2017. As a result, construction activities will take place in the eligible counties of Butte, Lake, Los Angeles, Mendocino, Napa, Nevada, Orange, San Diego, Santa Barbara, Sonoma, Yuba and Ventura. The Program must spend 80% of its funds in the HUD- defined Most Impacted and Distressed (MID) areas of Sonoma and Ventura counties, and the zip codes of 95470, 95901, 94558, 95422, and 93108. As such, construction management firms will need to have adequate capacity and ability to perform work in all these counties and zip codes if needed.

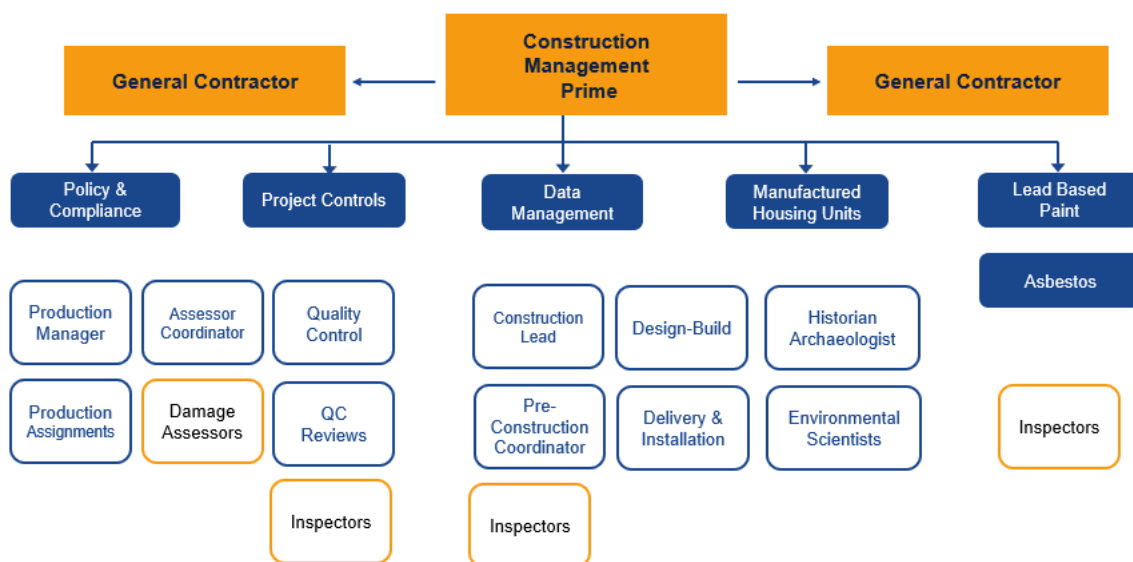


**Q:** What are the allowed property types eligible for this program?

**A:** The property must be a single-family dwelling, such as a stick built, modular, mobile home or MHU (i.e. not a condominium, duplex, fourplex, or other multi-owner property)

**Q:** Will a subcontractor need to be hired through a general contractor?

**A:** Yes. Subcontractors with a specialty focus will need to team up with a general contractor and/or a prime construction management company. Below is a sample structure where each function could represent a different company, contractor or subcontractor. General Contractors often hire subcontractors to complete home construction as well although they are not pictured here.



**Q:** Can a Prime Construction Management Firm choose to only work in one region?

**A:** HCD will be looking to hire 1 Prime Construction Management Firm however they are encouraged to hire multiple general contractors and subcontractors in both regions to be able to effectively meet the goals of the RFP in a timely manner.

**Q:** Is each specific housing rebuild publicly bid?

**A:** No. The Prime Construction Management Firm that is awarded a contract per the upcoming RFP will manage all construction activities of the ReCoverCA program, including assigning work to all general contractors and subcontractors.

**Q:** Will performance bonds be required?

**A:** Yes, all contractors must be licensed, bonded, and insured to provide construction services. Specific bonding requirements will be addressed in the upcoming RFP.



**Q:** How does the applicant tiering work? Will you only assist Tier 1s until they are all served before moving on to assisting Tiers 2-8?

**A:** At this time we are considering assisting the first few tiers (1-4) as a group at first. We will make this final decision as we gain additional survey respondents after the fall outreach efforts.

**Q:** Do federal regulations such as prevailing wages and Davis Bacon apply?

**A:** Yes, as a CDBG-DR-funded program, all applicable federal regulations, including Davis Bacon and related acts, apply. [Click here for a full list of Crosscutting Federal Requirements.](#)

**Q:** Is a workers' compensation policy required?

**A:** Yes, all California labor laws apply to this opportunity.

**Q:** What about the other fires that occurred in 2018, and the fires currently occurring? Does this contract opportunity include rebuilding of those affected homes?

**A:** This opportunity is limited to the 2017 wildfires only. The fires in 2018 and beyond will be handled under a separate CDBG-DR grant.

**Q:** Will minority-owned and woman-owned businesses be offered preference?

**A:** California and the federal government are committed to equal opportunity for contracting. All disadvantaged businesses such as small business, MBE, WBE, disabled veteran businesses are encouraged to respond to the RFP. Given State and federal procurement requirements, preference points will not be offered for this RFP. However, as outlined in 2 CFR 200.321, non-federal entities must take all necessary affirmative steps to assure that minority businesses, women's businesses, and labor surplus firms are used when possible. To meet this requirement, proposers who are a WBE or MBE are encouraged to respond or be a part of a team which responds to the solicitation.

**Q:** How often will contractors be paid?

**A:** Progress payment information will be addressed in the upcoming RFP when released. HCD will pay the Prime Construction Management Firm only. All general contractors and subcontractors would be paid by the Prime.



**Q:** If a homeowner chooses Solution 2: Homeowner-Managed Construction, how will payment to the homeowner's contractor be made?

**A:** Funding will be provided to the homeowner's contractors via two-party check made payable to the applicant homeowner and their contractor. ReCover Program construction inspectors conduct and approve the milestone inspections of work completed by the homeowners' contractor. Homeowners sign off on the inspections and further endorse the two-party check to their contractor as final acceptance and payment for the construction activities detailed in the Program inspection.

**Q:** Why is the program cap only \$150,000? That seems low for the cost of undertaking construction in California.

**A:** The program is designed to provide gap financing and be partnered with a homeowner's insurance funds, settlement funds, SBA loans, FEMA funding, etc. If there is a remaining gap in funds needed after the program cap of \$150,000 is reached, barring a hardship determination, the homeowner would be required to provide the balance to a program escrow account.