

Residential Rehabilitation Webinar Series **Addressing Complaints in the Rehabilitation Process**

Sponsored by the Florida Housing Finance Corporation's
Affordable Housing Catalyst Program

Facilitated by the Florida Housing Coalition
Aida Andujar, Technical Advisor

THE FLORIDA HOUSING COALITION 

Residential Rehabilitation Webinar Series

Previous webinars in the Rehabilitation series

Roles and Responsibilities
Contractor Selection and Evaluation
Initiating Rehabilitation Assistance

Today's Webinar:


January 11 - Addressing Complaints in the
Rehabilitation Process

April 11 Workshop in Jacksonville:

Running a Successful Rehabilitation Program

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Residential Rehabilitation Guide
<http://www.flhousing.org/wp-content/uploads/2012/03/Residential-Rehab-Guide-2017.pdf>

The cover of the Residential Rehabilitation Guide features a dark background with white text. At the top is a saw icon. Below it, the words "RESIDENTIAL" and "REHABILITATION" are stacked. The word "GUIDE" is prominently displayed in the center, with a screwdriver icon integrated into the letter "I". At the bottom, there are icons for a door handle, a window, and a light switch.

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Catalyst Training Schedule

www.flhousing.org

A banner for SHIP Catalyst Training. On the left, a group of people are smiling and looking at a document. On the right, the text reads "Fine Tune Your SHIP Program", "REGISTER NOW FOR", and "CATALYST TRAINING" in large, bold letters. The SHIP logo is on the left side of the banner.

Register Now for SHIP Catalyst Training!

The Coalition is Florida's affordable housing training and technical assistance provider.

The Florida Housing Coalition is commonly acknowledged as the foremost authority in Florida on affordable housing, community development and related issues, as a clearinghouse for information, a provider of training and technical assistance, and an advocate at the state and national levels for people in need of affordable housing.



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Library of Catalyst Trainings

www.flhousing.org

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Home About Programs **Training** Advocacy Publications

Resources

Training Calendar
Annual Conference
Homelessness Training
SHIP Training

FREE TECHNICAL ASSISTANCE
FOR FLORIDA'S CONTINUUMS OF CARE
AVAILABLE NOW

Past Catalyst Trainings

'Past Catalyst Trainings'

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We are available for on site training for your organization!

New staff training

Tracking and Reporting

Income Compliance

AHAC Committee and Incentives

LHAP and Strategies

Encumbrance and Expenditures

Subrecipient and Sponsor Training

Call 1-800-677-4548 or e-mail me at

Andujar@flhousing.org

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January 23 in Palm Beach

- Income Qualification Clinic
- Riviera Beach Marina Event Center
- Riviera Room
- 190 E. 13th Street
- Riviera Beach, FL 33404
- (561)561-881-7438

If interested in attending please send me an e-mail with name, title, organization and e-mail.

We are planning another income clinic March 7, in Collier County and March 29, 2018 in Broward County. E-mail me if interested in attending.

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SHIP Advocacy

- Use SHIP logo
- Send us your SHIP success stories to us at wells@flhousing.org
- Ensure that subrecipients/Sponsors are giving credit to SHIP
- Pictures
- Videos
- Thank you letters



SHIP

housing a stronger Florida



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City of Gainesville

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- Rehab Specialist II
- Housing & Community Development Division
- 352-393-8615
- southerlandjh@cityofgainesville.org
- osobatd@cityofgainesville.org

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City of Miami Gardens

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- **Administrative Analyst**
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The Importance of Contracts

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- **Technical Advisor**
- Florida Housing Coalition
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2-10 Warranty Program

- Bill Flack
- bflack@2-10.com
- 904-894-5866
- District Sales Manager

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Poll

What are the most common complaints in your organization?

- a) Complaints related to the construction work
- b) Complaints related to contractors
- c) Complaints related to program or staff
- d) other

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What causes conflict?

Lack of Clear Communication

This can be between the Homeowner, Contractor and/or SHIP program staff

Solution: Communication early on and throughout the process

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Homeowner fears

- Loss of control
 - It's their home
 - Their biggest investment
- Crooks
 - Fear of local government
 - Fear of unscrupulous contractors they don't know
- Money
 - Is it reasonable
 - I'm going to get stuck paying for this
 - Hidden Cost
- Disappointment
 - They won't do good work
 - I won't get what I expect or was promised
- Disruption
 - It will take forever
 - It will be one big mess

Contractors and Local Government

- Become desensitized, lack of empathy
 - You do this over and over, the homeowner may do this once in their lifetime
 - It's just another house for you, but it's their house
 - You've heard it before, but not from them

Exhibit empathy for the homeowner

- Their home is their biggest investment
- You are limiting their ability to make decisions
- They don't do this everyday

Keeping Good Contractors

Contractors biggest complaints are:

- Delay in Payments
- Inconsistencies by inspectors in applying codes and standards
- Lack of clarity in specifications
- Lack of cooperation in resolving problems/conflicts

Build on Elements of Trust

- Consistency
- Honesty
- Promise keeping
- Reassurance

Use your AHAC committee to help resolve disputes

Types of Communication

- Verbal
 - Meeting with staff on a regular basis
 - Meeting with contractors
 - Meeting with homeowners
- Written
 - Outline of program, process and application
 - Policies and Procedures
 - Contracts and Agreements

You must have both

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Clear Communication

- Among staff
 - Understand the program
 - Duties and responsibilities
 - Roles
 - Chain of Command
- Among contractors
 - What is the process
 - What the program limits are
 - What the repercussions are for non-compliance
- Among homeowners
 - How the program works
 - What the program limits are
 - What they can expect
 - What the program does not do or allow

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Communication at each step

- The application process
- The pre-bid
- The contract signing
- During construction
- Work Completion
- Warranty period

Use observation and investigate apparent problems. Create a tool to track complaints. Engage in problem solving early in the process.

Be alert to signs of possible trouble by observing and communicating with staff and others, such as:

- Files piling up on one desk;
- Significant complaints or disputes;
- Inappropriate change orders; and/or
- Expressions of low morale, or withdrawal from normal communication process.

Prevent problems by structuring the workforce and tasks.

- Limit work assignments to, or weed out, poor performing contractors.
- Monitor the work assignments of poorly performing staff.

Intervene with all entities face-to-face as soon as a problem is identified. Do not rely on written or e-mail communication

What type and how often

Complaints should be minor, almost complimentary in nature, such as, “I wish we could have done more work” or “I’m sorry to see the rehabilitation specialist go.” Categorize, quantify and follow up on complaints.

Determine why the complaints are made and whether they are based on misunderstanding or differences in expectations, or if there have been actual performance failures, or if there is a basic flaw in the process. Complaints that recur should be evaluated with particular care.

Poll

Do you have complaints that have escalated to:

- a) The program Director
- b) The City attorney
- c) The City/County Commission
- d) Florida Housing Finance Corp
- e) The governor’s office

What is Arbitration?

- Arbitration is a procedure whereby an unbiased, neutral, third-party acts as judge and jury to resolve their dispute for in private — outside of the public judicial system.
- It is a simplified version of a trial involving less complicated rules and procedures. Arbitrators have more flexibility than court judges to decide how the arbitration should proceed and what weight to give evidence.

What is Mediation?

- Mediation is an informal process where an impartial third-party, the mediator, helps the disputing parties find a mutually satisfactory solution to their issue.
- Mediators cannot impose a resolution upon the parties since they are not able to make legally binding decisions. Any settlement reached is an agreement by the parties.
- If the parties reach a settlement in mediation, they enter into a mediation settlement agreement that is enforceable as a contract.

Check the local government's mediation rate

Mediation Rate

A. None. Good going. In a perfect world, the rehabilitation specialist would be able to negotiate and balance every job.

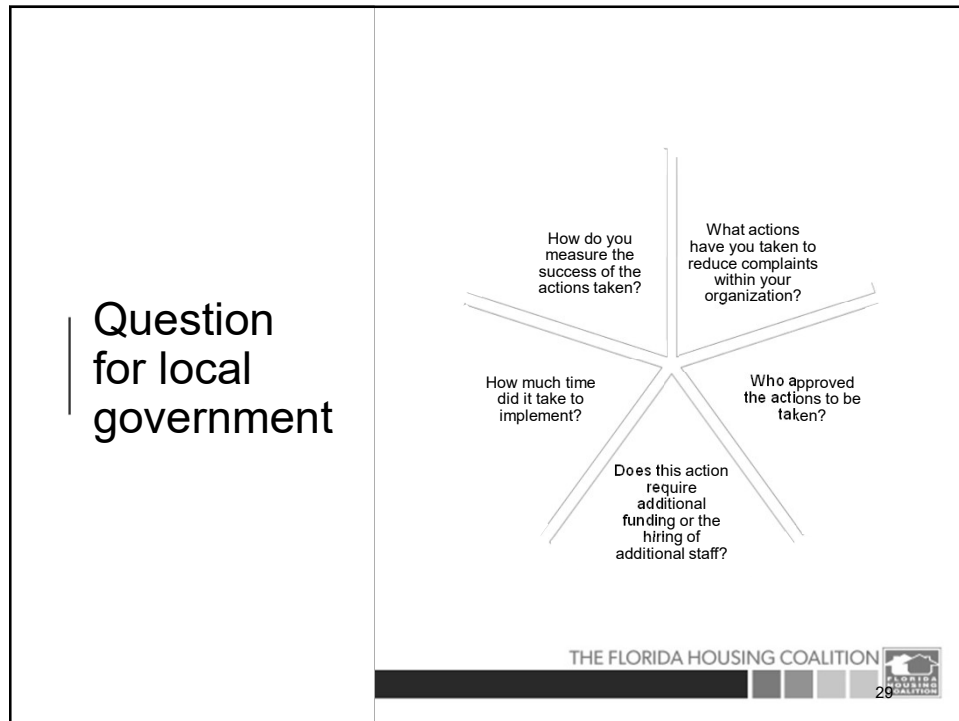
B. More than 5 per 100 jobs. Given human nature, and the complexity of the work involved, some disputes are inevitable. However, when two or more disputes per 20 jobs break out over a year that cannot be solved in the field or with additional clarification in mediation, look for underlying problems.

Poll

What is your organizations process for handling complaints?

- A) Mediation
- B) Arbitration
- C) Attorney
- D) AHAC Committee
- E) SHIP administrator

Type in any other process



The Importance of Contracts

- **Pamela Jo Hatley PhD, JD**
- **Technical Advisor**
- Florida Housing Coalition
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2-10 Warranty Program

- Bill Flack
- bflack@2-10.com
- 904-894-5866
- District Sales Manager

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Remodeler's Home Improvement Warranty Program

Bill Flack- VP Strategic Accounts
2-10 Home Buyers Warranty
bflack@2-10.com
904-894-5866



LONG LIVE HAPPY HOMES®

By using a written warranty you reduce calls and complaints !

Remodeling volume is on the rise:

- Residential Remodeling Index rose to 110 in 2017
- The RRI has shown year-over- year gains for 22 consecutive quarters.
- Homeowners are:
 - Improving their homes to make them more livable
 - Going green and increasing the energy-efficiency in their homes.
 - Preparing their homes for retirement years.
 - Expecting a written warranty and contractors are looking for ways to reduce complaints and resolve issues and avoid lawsuits



Remodeler's Home Improvement Warranty Benefits

According to the National Association of Home Builders – "Customers expect warranties."

- Gain a competitive advantage
- Transfer liability to a third-party warranty insurer
- Substantial savings on general liability policies when using a 2-10 HBW Remodeler's Warranty on your project.
- Builders should receive a discount on General Liability Insurance by providing a written third party warranty.



Access Valuable Sales and Marketing Tools

10-YEAR STRUCTURAL COVERAGE PROVIDED BY



Customized
brochures
available

NO TRESPASSING!

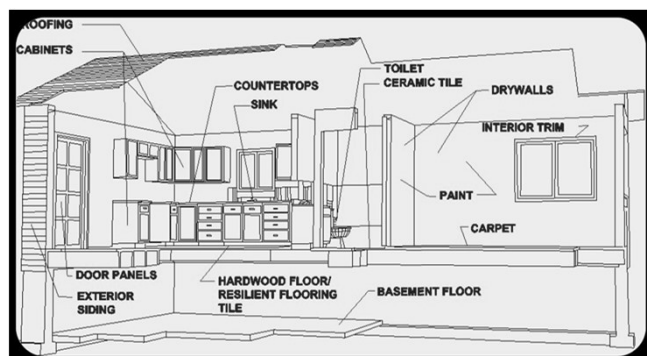
VIOLATORS WILL BE PROSECUTED! THIS AREA IS A DESIGNATED CONSTRUCTION SITE. ANYONE TRESPASSING ON THIS PROPERTY UPON CONVICTION SHALL BE GUILTY OF A FELONY! THEFT FROM THIS SITE IS A FELONY!



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1 and 2 Year Coverage - Surety

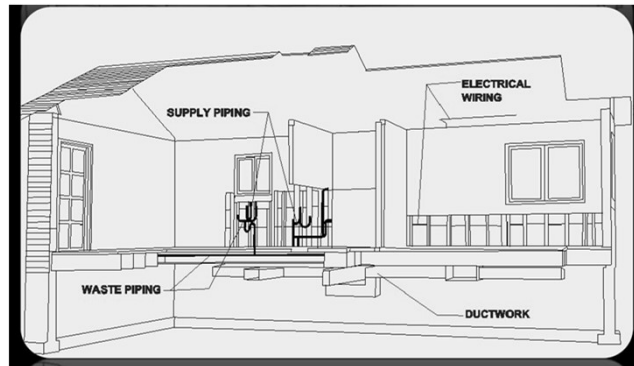
- **One year workmanship**
 - Diagram illustrates items typically included.



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1 and 2 Year Coverage - Surety

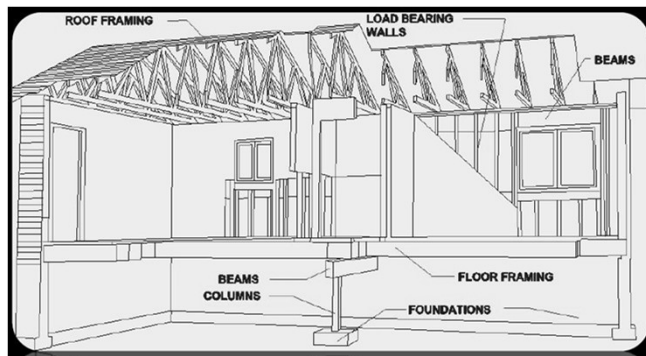
- **Two year systems**
 - Diagram illustrates items typically included.



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10 Year Insurance-Backed Coverage

- **Ten full years of insurance-backed coverage for qualifying structural defects**
 - Diagram illustrates items typically included.



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Cost

1 and 2 year coverage: \$2.00 per \$1,000 for projects up to \$100,000 in cost:

$$\begin{aligned} \$100,000 / \$1,000 &= 100 \times \$2.00 = \$200.00 \\ &\text{(minimum cost of \$200.00)} \end{aligned}$$

1-2-10 coverage; \$3.00 per \$1,000 for projects up to \$100,000 in cost:

$$\begin{aligned} \$200,000 / \$1,000 &= \$200 \times \$3.00 = \$600.00 \\ &\text{(minimum cost of \$300.00)} \end{aligned}$$



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Getting Started

- Builder/ Contractor must complete membership application
SPECIAL PRICING FOR THIS PROGRAM

Complaints regarding the warranty are directed to HBW Warranty Administration

Each builder is screened by 2-10 HBW Underwriters

Builder will receive a confirmation of approval and a unique member number

Builder/ Contractor should utilize suggested HBW contract language

At time of enrollment a scope of work should be provided as the warranty is provided on work performed under the contract



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Please contact Terry Graham- tgraham@2-10.com

772-2847044

**THANK YOU FOR YOUR TIME
TODAY!**



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Best Practices

- Keep documentation of all meetings, conversations, pictures/paper trail
- Communicate regularly and clearly
- Explain who is responsible for what
 - Homeowner and contractor
- Most complaints are about the process, not the product

Homeowner Satisfaction

- Maintain open communication throughout
 - Rehab Inspector must be a mediator
 - Have a process in place for handling complaints
 - Open door policy
- Provide Clarity of Roles and Responsibilities
- Well written documents and agreements
- Work with contractors that comply
- Use evaluations
- Consider buying a homeowner's warranty
- Take the Front Page Test...

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Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

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we make housing affordable™

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Questions?

Technical Assistance Hotline – 1-800-677-4548

Clinics, onsite and offsite TA

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E-mail me at Andujar@flhousing.org

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