

End of Construction

Once the Architect has determined the work is substantially complete the Architect prepares a Certificate of Substantial Completion (AIA Document G704) for approval and acceptance of the Contractor and the Owner (Borrower/Developer). If there are items remaining to be completed or corrected a comprehensive list (punch list) shall be appended to this document. The Minnesota Housing Finance Agency (Minnesota Housing) Staff Architect will typically visit the site to inspect the work around this time as well.

Regardless if "Construction Loan" or "End Loan" it is important that all site improvements are constructed in accordance with the approved contract documents. The Architect shall not issue the final certificate for payment until the Architect is satisfied the Contractor has fulfilled all contractual obligations including all punch list items and any "Correction Orders" issued by Minnesota Housing.

If portions of the work cannot be completed for some time after the work is determined substantially complete and the project status cannot remain open, Minnesota Housing, as a last resort, may approve disbursement of funds for uncompleted work (normally 1.5 times the estimated value) into an escrow account governed by terms of an agreed upon escrow agreement. Funds shall be withheld until all work is complete and all terms of the escrow agreement are satisfied.

Purpose:

To mark completion of the project. Typically involves taking the project from the point of Substantial Completion to Final Completion and payment of the Contractor, often referred to as "project closeout".

Architect's Role:

The Architect's role during the End of Construction processing stage generally consists of the following:

1. Issuing the Certificate of Substantial Completion after determining the work is substantially complete and a Certificate of Occupancy (if applicable) has been issued by the local municipality. The Architect shall also be responsible at this time for the following items:
 - Securing a comprehensive list (punch list) of items to be completed or corrected and appending it to the Certificate of Substantial Completion;
 - Making an independent estimate of the costs of completing items on the punch list; and

- Recommending adjustment of retainage as provided in the Owner and Contractor agreement.
2. Executing the "Certification of Compliance" form associated with the Minnesota Housing Multifamily Sustainable Housing Standards and routing it to the Contractor and Owner for their signature.
 3. Issuing Contractor's final certificate for payment after making a final check to ascertain that:
 - The work called for by the contract has been completed;
 - The Contractor has executed the "Certification of Compliance" form associated with the Minnesota Housing Multifamily Sustainable Housing Standards;
 - The Owner's interests have been protected with respect to the filing of liens as required by the general conditions and applicable mechanics lien laws;
 - The accounts between the Owner and Contractor have been adjusted, including original contract sum, additions and deductions as included in change orders and unit prices, cash allowances, and deduction for uncorrected work;
 - Written warranties and guarantees, operation and maintenance manuals, certificates of inspection, and record documents have been delivered to the Owner by the Contractor. (Minnesota Housing requires evidence, via transmittal to the Owner, that the Architect has reviewed and approved such items and has forwarded them to the Owner.);
 - Contractor has provided Owner with proper orientation and training of building and its equipment; and
 - All other conditions of the contract have been met.
 4. Performing any other duties associated with administering the project closeout process as required by the Owner and Architect Agreement.

Once the Architect issues the Contractor's final certificate for payment it typically marks the end of the End of Construction phase. At approx. 11-months following the date of substantial completion a warranty inspection may be required involving the Architect. Refer to the Warranty Period phase of the development process.