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## Find the right contractor for your reno

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**DAVID MALES**  
SPECIAL TO THE STAR

*Doing renovations to your house can be scary. David Males, a 22-year veteran in the construction business and president of Northern Edge Construction Services Ltd., walks us through the process with the help of one of his clients to allay any fears.*

According to a recent Canada Mortgage and Housing Corp. report, Torontonians spent more than \$7 billion on renovations last year.



BART SZOKE PHOTO

The owners of a Broadview-Danforth area home had this new stainless steel kitchen and rear addition done. They were thrilled with the job.

New building-supply stores are sprouting up across this city like mushrooms. In some neighbourhoods it seems there's a dumpster in every second driveway. There are also entire TV channels dedicated to little else but home renovation shows.

Unfortunately, many of these shows leave homeowners with wildly inaccurate ideas about the renovation industry. Just for the record: a quality home renovation cannot be completed in two days; it's going to cost more than those shows tell you (they never include labour costs, which are sometimes the most expensive part of the job); and not all contractors are crooks cruising the neighbourhood looking for homeowners to fleece.

Nevertheless, "renos gone wrong" are a reality. I've been called in to fix or finish a few disasters over the years, and the financial and emotional toll these projects take on the homeowner is enormous.

So how do you make sure you don't become the "before" on one of those shows? The key is to do your homework, hire the right people and avoid the temptation to cut corners.

Faith Halman and Brad Pelman lived in their home for 10 years before they decided to tackle a large-scale reno consisting of a second-storey addition and a full gut and reno of the first floor.

"We enjoyed the process. You always hear horror stories, but that wasn't our experience," explains Halman.

They worked with an architectural firm, Lieux Architects Ltd., that helped them select a contractor. Halman and Pelman interviewed four

### Contracts

The contract between you and your renovator can take a number of forms. On larger projects, you may have a number of contracts in place in addition to the construction contract, including one for design and/or one for landscaping.

If you are going to ask for competitive bids, make sure everyone is quoting using the same methodology, and that all of the same items, including taxes, have been included.

#### Fixed-price contract

contractors, visited three or four completed and in-progress jobs, and called 10 references before selecting Northern Edge Construction.

"You have to be comfortable, you have to be able to relate to the people working on your house," Halman says. "You want to find someone who is conscientious and cares."

Halman's advice to homeowners is to do some work up front to determine your needs, be realistic and willing to compromise, spend money on things that you can't easily change (such as windows and doors) and be mindful of your neighbours' feelings throughout the process.

"It mattered to us how the neighbours felt," Halman explains. "We moved out but our neighbours had to live through the process."

Faith and Chris Hicks had already had an unhappy experience with a kitchen reno, so they were extra cautious when they began considering a large-scale reno to their Broadview-Danforth area home. Their experience the second time around was considerably different, and they are thrilled with their new stainless steel kitchen and rear addition.

Their advice to those considering a reno is to know what you want before you start, find someone that you can talk to easily, and make sure you have enough money set aside that you don't have to start cutting corners.

The Hicks went the design-build route, working with architect Bart Szoke.

"He really listened to us, to what we wanted," Faith explains.

"He was also the clearest thinker," Chris adds. "Other architects we spoke to were too abstract. He was able to translate what we wanted into the design."

The Hicks lived in their home during the six-month renovation process, meaning the relationship with the builder was an important factor.

"We were pleasant, and stayed out of the way and let them do their jobs," Faith says. "They did their best to minimize the inconvenience to us, and cleaned up every day before they left. It really worked well."

If you're working with an architect, they can help you when selecting a firm to build your project. If not, word of mouth is a good way to locate a reputable contractor. Speak to friends, neighbours and acquaintances about their experiences.

Other good sources for locating renovators include professional associations, home shows or major retailers. Rona, for example, maintains a list of preferred contractors they are prepared to recommend to their customers.

Now that renovating is so popular, there are more than a few people looking for a quick buck by claiming to be "renovators," so you want to make sure your contractor has a proven record of doing the kind of work you're considering.

Looking for companies that are actively involved in the industry is a

This is the most common form of renovation contract. It sets out the total price for all the work including labour, subtrades, materials, equipment rentals, etc. This is a good choice for smaller projects, or projects where the budget needs to be tightly managed, as any changes or adjustments to a fixed-price contract require a written change order signed by both parties.

#### **Cost-Plus or Construction Management**

In this type of contract, the renovator receives a construction management fee (usually a percentage of the total project costs) and the homeowner sees all the invoices for labour, subcontractors, materials, etc. Cost-plus contracts ensure that homeowners are not paying overly large markups to the general contractor, however, the overall project costs may be more difficult to control, as they are not as tightly defined at the beginning.

#### **Design-build**

Design-build contracts can be fixed-price or cost-plus. In this arrangement, the homeowner signs one

good way to eliminate fly-by-night firms. The Building Industry & Land Development Association, or BILD, a group that represents residential builders and renovators, runs a program for renovators and consumers called Renomark.

Renovators who display the Renomark logo must meet certain criteria – including carrying liability and workplace safety insurance, providing detailed written contracts, offering a minimum two-year warranty on all work and carrying all applicable licences and permits.

"People have been scared to death by certain television shows that would have you believe that every contractor is bad," says Stephen Dupuis, BILD's CEO. "That's not reality. There are lots of good contractors out there."

Dupuis says the No. 1 mistake consumers make when starting a renovation is being obsessed with finding the lowest bid.

"The quotation process is not about finding the lowest bid — it's about being comfortable, and finding the person with the best solution," Dupuis says. He also suggests that consumers look for someone who has experience doing the kind of project they're considering.

Don't bother getting quotes from eight or 12 different contractors. With that kind of volume, you won't have time to get to know anyone or do the kind of research you should be doing. A good rule of thumb is to interview three contractors, and ask for detailed quotations from two or three.

Most contractors supply references, but, believe it or not, few people take the time to check them out. Call and check them and plan a few visits to completed or in-progress jobs. This isn't the time to be shy.

A good contractor will provide a complete, detailed and professional written quotation and contract. All details should be spelled out, such as description of the work to be performed, time frame, a detailed description of all the materials to be used, the payment schedule, costs for waste disposal, and the costs for any changes to the original plans. If you are planning a major renovation, you may want to have your lawyer review the contract before you sign.

Before you agree to a deal, ask to see the contractor's liability insurance and WSIB insurance. Legitimate contractors are happy to comply with this request. Take it one step further and call the insurance company to make sure the policy is in effect or have the renovator supply a certificate of insurance.

The quotation process is like dating before you get married. You need to make sure you're comfortable with the person and that you can communicate well. As you go through the renovation process, there are many decisions you will need to make together, and you must be able to talk openly with your contractor. At the same time, he or she must be able to explain the process to you without using jargon or terms you don't understand.

When you get three quotes from three contractors, they should be in the same ballpark. After all, labour rates and the cost of supplies are similar for most contractors.

If one price is significantly lower, there may well be something wrong. Disreputable contractors will lowball their quotes, and then make it up in "extras" once they have you over a barrel – or, even worse, skip off before the job is done. Every renovation horror story I've ever heard starts with "he was the lowest price by far," so be careful.

If any of your contractors immediately offer to work for cash, you should eliminate them from the process.

contract for the whole job, rather than a separate contract for design work and another one for construction. Many homeowners find this type of contract more efficient, as the architect and builder work together during the design phase, eliminating options that are too costly or difficult to build before they are committed to paper.

– David Males

No one likes paying taxes, and an offer to save the taxes is tempting. But this is how fly-by-night guys keep going – cash work means no receipt, which means no records when things go wrong. This should be a major red flag.

Renovating your home can be a rewarding experience. Do your homework, be prepared, choose the right contractor and enjoy your new home space.

*David Males is a member of BILD's renovation council. For more information, go to [noredge.com](http://noredge.com).*

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## Before you renovate, make sure you possess proper permits

### Do I need a building permit?

Any time you are making structural changes to your house you need a building permit. A permit is also necessary when there are changes to the HVAC, plumbing or electrical systems in the house. Changes to the system do not mean minor repairs, like putting in a new light switch or changing a faucet.

We've all heard stories of permits taking weeks or months longer than they should, so you may be tempted to skip this step. Don't. Failure to obtain the proper building permits can result in legal action or the removal of work already completed. The [City of Toronto website](#) outlines the fees and what's required to apply for a building permit. For a relatively simple job you can probably do the drawings yourself, or get the staff at your local building centre store to help. Most renovation contractors can also handle relatively simply drawings, or can suggest a designer/architect who can help.

Heating contractors and electricians generally take care of getting the permits for their work, but be sure to ask. The homeowner is ultimately responsible for ensuring the proper permits are in place.

### Do I need to hire an architect?

If you're planning a substantial addition or renovation, hiring an architect is highly recommended. A good residential architect can translate your wishes for your home into practical, well-thought-out designs, and can provide all the necessary drawings for the permit process.

Although any homeowner can apply for and get their own permit, an architect knows the process (it can be complicated) and can get it through the process with greater ease.

They can also supply the proper consultants such as a structural engineer or surveyor.

An architect can also help you find the right renovation contractor for your job, and provide his or her expert advice when reviewing construction proposals.

– *David Males*