



GENERAL CONTRACTOR CERTIFICATION AND QUESTIONNAIRE

All General Contractors that are involved with DSHA financed projects and projects receiving Low Income Housing Tax Credits (LIHTC) must be pre-approved by DSHA through DSHA's General Contractor Certification and Questionnaire Process.

Developers/Owner of LIHTC and HDF/HOME projects may chose between two options for General Contractors in order to arrive at construction costs for the proposed development:

1. Option 1

The Developer/Owner of the development may determine the General Contractor at application and shall disclose the General Contractor as part of the Development Team.

- a. The General Contractor will agree to a maximum of 6% General Requirements for new construction, 7% General Requirements for rehabilitation and 7% Builders Overhead and Profit, including all change orders. No increase in the percentage of General Requirements or Overhead and Profit will be allowed after application.
- b. DSHA shall review and approve plans and specifications for construction work.
- c. The General Contractor will obtain at least three bids from all subcontractors for all trade line items when the General Contractor is self-performing work for trade payment line items. If the General Contractor is not performing work for the trade payment line items, two bids are required from all subcontractors.
- d. The General Contractor will open all bids with their contracted architect, all project costs will be totaled (in a format specified by DSHA) and the results forwarded to DSHA and the Developer/Owner for approval. Subcontractor bids shall be awarded to the lowest bidder unless low bid is incomplete.
- e. If the General Contractor proposes to perform any work with his/her own employees, the General Contractor as stated above, shall obtain three bids for the work and may not charge any more than the lowest bid for the work.

2. Option 2

Developers/Owners may also choose to add the General Contractor to the Development Team after awards of credits have been made by DSHA.

- a. Developer/Owners shall invite **all** firms on DSHA's LIHTC Approved General Contractor List to bid and obtain a minimum of three bids from the approved list of General Contractors that will provide bid estimates for the proposed projects.
- b. General Contractors may not exceed 10% Builder's Overhead and Profit and either 10% (rehabilitation projects) or 8% (new construction projects) General Requirements. No increase in the percentage of General Requirements or Overhead and Profit will be allowed over the percentage as contained in the General Contractor's bid.
- c. DSHA shall review/approve bid documents prior to release for bidding.
- d. The bids shall be sent to the architect of record in a sealed envelope, clearly marked with the project name and date stamped. Faxed or e-mailed bids shall not be accepted. The bids shall be privately opened, tallied and the results forwarded to DSHA and Developer.

- e. If the General Contractor proposes to perform any work with his/her own employees, the General Contractor shall obtain three bids for the work and may not charge any more than the lowest bid of the work.

Note: For any funding sources that require bidding of the construction costs (i.e. USDA, HUD), then option 2 must be followed.

In order to be considered qualified by DSHA, General Contractors must complete the attached questionnaire and provide information on all of the required attachments and be approved by DSHA 30 days prior to invitation to bid or DSHA's application deadline or previously approved General Contractors can submit the information to DSHA for approval on an annual basis. The General Contractor must be listed on the current approved General Contractor list posted on the website for the 2012 LIHTC round by March 13, 2012.

The information attached is requested in connection with the projected financing of proposed Housing Developments/HOME or LIHTC applications which may or may not be constructed or rehabilitated with DSHA financial sources. DSHA is required to exercise due diligence in ascertaining the accuracy and completeness of information which is material in the underwriting of the proposed financing which includes certification of the General Contractor.

The information which is to be provided by you in this questionnaire is subject to the Freedom of Information Act, unless otherwise deemed proprietary. Accordingly, DSHA requests that the questions on the attached be answered accurately and completely and all required information is submitted so that DSHA can make an assessment for approved General Contractor certification. If any question is not applicable, please so state and, unless self-evident, explain why. If the answer to any question is in doubt, or if you have any questions as to what associates or affiliates are covered by this questionnaire, or whether any facts are "material", please set forth the pertinent facts so that DSHA or our counsel may consult with you or your counsel as to appropriate disclosure, if any. Please note that the "principals" of your firm includes owners, directors and senior officers.

After DSHA has approved the General Contractor certification, the General Contractor will be placed on a list of approved General Contractors. Developers will then choose between the two bidding options above for the General Contractor to arrive at construction costs for the development. DSHA must review/approve bid documents prior to release for bidding.

If a joint venture is proposed, an agreement must be submitted to DSHA, 45 days prior to invitation, outlining the current and long-term roles, terms, fees, and other conditions of the partners to the agreement. **Both parties must be on the LIHTC Approved General Contractor list**

If General Contractor does not successfully complete warranty items from on-going or previous projects within 45 days of inspection, the General Contractor will be ineligible to bid on future projects until such corrective actions are completed. In addition, General Contractors are not eligible if they have failed to fulfill any obligations committed to in a previous application for LIHTC that has not been corrected to DSHA's satisfaction.

General Contractor Qualifications will be established by DSHA's determination of:

1. Acceptable financial capacity and credit score
2. Acceptable bonding and insurance capacity for the proposed development
3. Positive references
4. Satisfactory past performance history
5. Completed General Contractor questionnaire and attachments

DSHA has the right to determine acceptable General Contractor qualifications and capacity to complete a development successfully.

GENERAL CONTRACTOR CERTIFICATION AND QUESTIONNAIRE

INSTRUCTIONS: Please answer each question fully and completely. If any question is not applicable, please so state. In addition to answering the following questions, please attach those documents set forth in Exhibit A and Appendix A. If additional space is required, please attach separate sheet(s) of paper, as necessary and identify the question number.

1. What is the full name of firm?

Is it a sole proprietorship, general partnership, limited partnership or corporation?

Under the laws of what state is it organized?

Is it registered to do business in Delaware? Yes No

What is the firm's mailing address, and street address of its principal place of business, if that differs?

Contact Person: _____ Phone: _____
Email _____ Fax: _____

2. When was the entity formed?

Is this entity the successor to any other entity? Yes No

If yes, state the name of such entity or entities, and their date or dates of formation, and the reason for the termination of such entity or entities.

When did this entity actively begin construction practice?

How many persons are presently employed?

What is the construction value of work presently under contract?

2009:	_____	2010:	_____
2011:	_____	2012:	_____
2013:	_____	2014:	_____

7. Have there been any major adverse business developments or conditions experienced in connection with the construction or operation of any of the buildings your firm has constructed attributable (in whole or in part) to your firm's construction performance? Yes No

If yes, please describe in full.

8. Has there been in the last ten (10) years, or is there now pending or threatened, any litigation, arbitration, governmental proceeding, or regulatory proceeding involving claims in excess of \$100,000 or requesting a declaratory judgment or injunctive relief with respect to the construction or operation of any of the work which your firm or its principals, predecessors or affiliates has undertaken in which the construction performance and/or work, competency or care was or is now being questioned? Yes No

Is there any potential claim, demand, litigation, arbitration, investigation, governmental proceeding or regulatory proceeding involving your firm or its principals, predecessors or affiliates?

Yes No

If the answer to either of the preceding questions is "yes", please describe in full.

9. In addition to the litigation, arbitration, investigation or regulatory or governmental proceeding referred to in the preceding paragraph, is there any litigation, arbitration, investigation or governmental or regulatory proceeding now pending or threatened to which your firm is or may be a party, or is there any potential claim or demand, which might otherwise affect the capacity of your firm to perform with respect to the Housing Development, whether or not it concerns other work you have undertaken? Yes No

If yes, please describe in full.

10. Has your firm (or its principals, predecessors, or affiliates) within the last ten (10) years been, or are you or they currently, involved in any of the following:
- a. Any action, audit or investigation brought by any federal government agency or authority or by any state or local public body, or any officer of any state on behalf of a state or local public body? Yes No
 - b. Any criminal proceeding (excluding traffic violations and other minor offenses)?
Yes No
 - c. Any proceedings involving a request for a permanent or temporary injunction from an activity involving the purchase or sale of securities? Yes No

If the answer to any of the parts of this question is “Yes”, please describe in full.

11. Has your firm, its principals, predecessors, or affiliates been the subject of any proceeding under the federal bankruptcy laws or any other proceeding under state or federal law in which a court or government agency has assumed jurisdiction over any of the assets or business of your firm, its principals, predecessors or affiliates? Yes No

If yes, please identify the proceedings, the court or governmental body and the date such jurisdiction was assumed.

12. Describe the circumstances relating to each instance in the past five (5) years, if any, in which a claim or notice of a potential claim or a request for defense costs has been made under any such insurance or under any policies previously carried by your firm, its principals, predecessors or affiliates.

13. Does your firm, or any individual connected therewith, have any relationship (business or personal) with any other party involved in any transactions related to the development of the Housing Development? Yes No

If yes, please describe in full.

14. Please attach a copy of your last three financial statements, audited, if available or tax returns.

Have there been any material adverse changes in your financial condition from that shown in your most recent financial statement? Yes No

If yes, please describe in full.

15. Is your firm or any individual connected therewith to receive any fee or other compensation in connection with the Housing Development other than as stated in the contract for construction?

Yes No

If yes, please describe the circumstances.

16. Describe each instance in which change orders applied for under any contract performed by your firm in the past five (5) years in the aggregate amounted to more than five percent (5%) of the contract price, or in which actual construction costs under any such contract exceeded the contract price by more than five percent (5%) or exceeded the firm's pre-contract estimate therefore by more than the ten percent (10%).

17. Describe any instance where the work performed by your firm under any contract was not completed by any required substantial completion date (inclusive of any permitted exceptions) under the contract.

18. Are there any other matters affecting your firm or its principals, predecessors or affiliates or your performance of contracting services which might be material and relevant to DSHA?

Yes No

If yes, please describe in full. (Any matters are “material” if a reasonable person might consider them important in considering financing for the Housing Development).

The above information and materials provided herewith have been furnished by the undersigned on behalf of the aforesaid firm. Such information is true and accurate and does not omit any information or statements required to make such information not misleading in the circumstances.

Should any change occur in any of the information supplied in answer to the foregoing questions, the undersigned agrees to promptly supply the details of such change in writing to Delaware State Housing Authority, 18 The Green, Dover, DE 19901, Attention: Development.

I/we fully understand that it is a Class A misdemeanor punishable by fine up to \$2,300 or up to one (1) year in prison, restitution, and other conditions as the court deems appropriate, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 11, Delaware Code, Section 1233.

Date: _____

By: _____
(Signature)

(Print Name)

(Title)

For DSHA Use Only

Approved by:

Date:

Exhibit A - Attachments

1. Certified copy of your financial statement(s) for the past three years, audited if available or tax returns.
2. True copy of Construction Contract and any other agreements relating to a Housing Development.
3. Copies of your most recent report/brochures and evidence of successful completion of projects
4. HUD/USDA Form 2530, Previous Participation Certificate(s).
5. Three (3) Business/Bank References.
6. Bonding capacity letter from surety.
7. Proper general liability insurance documentation.
8. Business license and EI#.
9. Letter of authorization for DSHA to request credit report for both personal and business accounts.
10. Energy Star Partnership certification, www.Energystar.gov

Appendix A

Please list all major projects your firm is now involved with, and provide a brief description of the general type of work, dollar value, and projected completion date for each.