



Selecting a General Contractor

There are several approaches under which general contractors are selected for supportive housing development projects - and the approach is often dictated by funder requirements. Some housing developers secure general contracting services through a competitive bidding process, perhaps first screening potential contractors to determine who is qualified to bid. Some housing developers work with general contractors on a negotiated bid, which involves a selected contractor as a member of the development team beginning during the concept development phase. In either case, the following questions may prove useful for determining whether the general contractor is qualified for the proposed project.

1. Has the general contractor successfully constructed developments of this size and type?
 - Number of projects?
 - Number of units?
 - Location of projects?
 - Capacity of involvement? As general or as subcontractor?
2. What has been their experience in meeting construction timelines and budgets?
3. What percentage of projects has been completed within the original bid negotiated for construction?
4. Has the general contractor been associated with any projects which defaulted during the construction period?
5. Has the general contractor been associated with any projects which were cited by HUD/FHA or the local housing finance agency for wage/labor compliance issues? Are they experienced with administering Davis Bacon and/or other prevailing wage requirements?
6. What other projects is the general contractor involved in during the anticipated construction period? Will other projects compete for supervision and construction management attention?
7. Can the general contractor arrange for the necessary bonding and insurance requirements?
8. Is there any litigation currently pending against the contractor?

Prospective general contractors should be asked to provide a list of current and previous clients, and at least 3 to 5 clients with comparable projects should be contacted and asked questions such as the following:

1. Was the contractor's performance of consistently high quality?

2. Did the contractor respond to problems effectively?
3. Did the contractor participate as part of the development team prior to construction? If yes, how would you characterize the quality of the participation with other members of the team?
4. Did the contractor complete the project within the budgeted contracted amount?
5. Was the project completed within the contract construction period?
6. How many change orders were there during construction? Were the approved change orders within your contingency budget?
7. How did the contractor respond to problems during the design and construction period?
8. What is their record in subcontracting with minority and women-owned businesses, local hiring and administering Davis Bacon or other prevailing wage requirements?