

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
COMMUNITY DEVELOPMENT DIVISION

Subject: CONTRACTOR REQUIREMENTS

Effective Date: September 1, 2015

The following are requirements and suggestions regarding the use of contractors when completing work financed in part or total with CDD funds (federal and state). They will address:

- Contractor Selection
- Licensing
- Contractor's References
- List of Debarred/Suspended Contractors

CONTRACTOR SELECTION

The grantee must solicit the participation of contractors for their CDD housing program on a continuous basis. At a minimum, at least once a year the grantee must place a public advertisement for contractor participation in the CDD housing program. The Fair Housing logo must be utilized in this and in all other advertisements pertaining to the grantee's CDD housing program.

A reasonable number of qualified contractors will be invited to bid on the project or appropriate parts of the project. All qualified contractors will be (1) invited to bid on each unit, (2) on a master list to be invited to bid a few at a time on a rotating basis, and (3) on a master list provided to homeowners.

Any contracts exceeding \$50,000 for improvements/activities undertaken on publicly owned-buildings would require a performance and payment bond to be obtained.

WOMEN AND MINORITY OWNED BUSINESS OUTREACH

Efforts to encourage minority and female owned business participation in the housing program should be made on a regular basis and documented. Methods of solicitation should include mailings and telephone contacts, with documentation of such activities placed in the file. A list of all contractors (names and addresses) participating in the program must be kept by the grantee. Contractors will be selected for participation in the CDD housing program regardless of race, color, religion, familial status, age, national origin, sex, or disability. Directories for Minority Owned Enterprises and Women Owned Enterprises are attached.

LICENSING

It is required that all contractors participating in the CDD housing program be licensed by the State of Michigan. Residential builders, and maintenance and alterations contractors are licensed through the Department of Energy, Labor and Economic Growth, Licensing Services for Builders (517-241-9288). It is strongly recommended that licenses be verified at <https://www.lara.michigan.gov/colaLicVerify/> as some licenses may be revoked, suspended or lapsed.

Note: Residential Builders are licensed to build a house from the ground up and can do almost all types of repairs (except for electrical, mechanical, and plumbing). Maintenance and alteration contractors can be licensed to do up to 14 separate building activities.

The Michigan Department of Energy, Labor and Economic Growth, Bureau of Construction Codes, is responsible for licensing electrical, mechanical (heating and air conditioning), and plumbing contractors.

You may search for license information on individuals or businesses licensed by the Bureau of Construction Codes at <https://www.lara.michigan.gov/colaLicVerify/>. The phone numbers for each licensing section are as follows:

Electrical	517-241-9320
Mechanical	517-241-9325
Plumbing	517-241-9330

The grantee must keep a copy of the current license for all contractors who do work or bid for work financed with CDD housing funds. Additionally, the grantee must insure that the contractor is **properly licensed** for the type of work he/she performs or bids to perform.

CONTRACTOR'S REFERENCES

In addition to verifying that the contractors are properly licensed, the grantee is encouraged to take additional steps to ensure that each contractor does quality work. The grantee should request that the contractor supply a minimum of three references from local residents who they have done work for, check with the local chamber of commerce and/or check with the state licensing agent to see if any complaints have been filed against the contractor. All references received from contractors should be called by the grantee.

LIMITED DENIALS OF PARTICIPATION

Pursuant to HUD Memo dated March 1, 2002, a Limited Denial of Participation (LDP) is an action taken by a HUD Field Office or the Deputy Assistant Secretary for Single Family (DASSF) or Multifamily (DASMF) Housing which excludes a party from further participation in a HUD program area, may be limited to the geographic area of the office which sent the notice to the party, are effective nationwide unless otherwise noted, and generally expires in one year.

LDPs are issued to parties (individuals & companies) who fail to comply with HUD program standards. In most cases, the causes of an LDP action could be remedied by the party. LDP actions include provisions for an appeal process with a speedy conference at the HUD office which issued the LDP as the first step in that process.

It is important that parties who have been issued an LDP be prevented from new participation in the HUD program from which they have been excluded within the jurisdiction which took the exclusion action:

1. If you detect new participation or attempted participation by such parties in a program from which they have been excluded by the local HUD office, immediately notify the local office and obtain instructions before completing the processing of an application.
2. If you detect new or attempted participation by a party who has been excluded from a different program from that of the current application, notify the local HUD office but continue to process the application because the party is excluded only from the program(s) as shown on the LDP list. HUD must decide whether or not to attempt to broaden the exclusion action.
3. If you detect new or attempted participation by a party who has been issued an LDP by another HUD jurisdiction, notify the local office but continue to process the application because the party is not excluded unless the local HUD office issues its own action based on the action by the other HUD office or based on its own evidence.

Grantees must check the Limited Denial of Participation, HUD Funding Disqualifications and Voluntary Abstentions list at https://www5.hud.gov/ecpcis/main/ECPCIS_List.jsp and review the current list to ensure that contracts are not awarded to debarred or suspended contractors. Grantees must place a copy of the screen print from the search in the project file. If you do not have access to the internet,

please call your CD Specialist for assistance.

In addition to the LDP list, the General Services Administration's (GSA's) "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs" (Lists of Parties) must be checked to determine if individuals or companies are suspended or debarred from further participation in HUD programs and throughout the Executive Branch of the Federal Government.

LIST OF DEBARRED/SUSPENDED CONTRACTORS

On November 21, 2012, the General Services Administration discontinued the Excluded Parties List System. All entity records from CCR/FedReg and ORCA and exclusion records from EPLS, active or expired, were moved to System for Award Management (SAM). When procuring services with federal funds, Grantees must check SAM for contractor exclusions to ensure contracts are not awarded to debarred or suspended contractors. The following steps will assist:

A DUNS number is needed to ensure an accurate company search on SAM.

To find a DUNS number, go to <http://mycredit.dnb.com/search-for-duns-number/>

Enter company name, city and state. Click Search. DUNS number will be emailed to you.

Then go to SAM at <https://www.sam.gov/portal/public/SAM/>

Enter DUNS number, click Search.

Look for status at left of company name (Exclusion). Click View Details for more info.

Print results and place in file.

For technical or customer service support, please contact the General Services Administration Federal Service Desk at 1-866-606-8220.

Grantees must place a copy of the screen print from the search in the project file. If you do not have access to the internet, please call your CD Specialist for assistance.

In addition to the above outlined procedures, the grantee must follow CDD's Conflict of Interest policy.

If you have questions, contact your CD Specialist at 517-373-1974.

Attachments

A. Minority Owned Business Directory

B. Women Owned Business Directory