

HOUSING AUTHORITY OF TEXARKANA, TEXAS

SECTION 3 POLICY

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SECTION 3 POLICY

HOUSING AUTHORITY OF TEXARKANA, TEXAS

I. EXECUTIVE SUMMARY

A. Introduction

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1994, requires that, to the greatest extent feasible, employment and other economic opportunities generated by HUD funds be directed to low- and very low-income residents. 24 CFR Part 135 establishes the standards and procedures to be followed by Public Housing Authorities (PHA) in order to ensure that the requirements of Section 3 are met. 24 CFR Part 135 also requires that PHAs make the best efforts to ensure that 30% of new hires of the PHA and its contractors funded through development assistance, operating assistance or modernization assistance from HUD be residents of the PHA's communities. Furthermore, it requires that best efforts be made to ensure that 10% of all construction or repair related contracts and 3% of all other contracts be awarded to Section 3 business concerns. A Section 3 business concern is defined as a business concern that is 51% owned by PHA or other Section 3 residents, or 30% of whose permanent full time employees are PHA or other Section 3 residents or have been within the past three years. The terms used in this Policy are as defined in 24 CFR Part 135.

The Housing Authority of the City of Texarkana, Texas (HATT) is committed to helping the residents of its communities achieve their goals of self-sufficiency by providing opportunities for training and employment. HATT provides employment opportunities on construction projects by encouraging its contractors to hire qualified residents of HATT communities, connecting residents to job training and placement activities, and providing program coordination that facilitates economic opportunities to residents. HATT also provides employment opportunities by hiring qualified residents of HATT communities for available HATT positions.

B. Requirements

In order to comply with 24 CFR Part 135, HATT is required to establish programs and procedures that facilitate the training and employment of residents of HATT communities such as:

1. Publicizing the availability of positions with HATT or its contractors or subcontractors.
2. Providing assistance and counseling in job placement, job interviews, and job applications.
3. Maintaining current lists of available and qualified residents and making them available to contractors.
4. Providing job training, either independently or in conjunction with existing institutions.

5. Including negotiated provisions in all contracts specifying the number of residents of HATT communities that the contractor will hire.
6. Maintaining lists of Section 3 business concerns and their specialties.
7. Publicizing the availability of positions with HATT or its contractors or subcontractors.
8. Providing assistance and counseling in job placement, job interviews, and job applications.
9. Maintaining current lists of available and qualified residents and making them available to contractors.
10. Providing job training, either independently or in conjunction with existing institutions.
11. Including negotiated provisions in all contracts specifying the number of residents of HATT communities that the contractor will hire.
12. Maintaining lists of Section 3 business concerns and their specialties.
13. Providing assistance to Section 3 business concerns in obtaining bonding, lines of credit, financing or insurance by coordinating efforts local agencies that provides these services. Additional assistance may be provided through revisions to HATT Procurement Policy.

C. Actions

HATT will take four concurrent courses of action to comply with the provisions of 24 CFR Section 135. These actions are as follows:

1. HATT will formalize recruiting and hiring policies and practices that allow at least 30% of the aggregate number of new hires each year at HATT to be qualifying public housing residents or other low income city residents.
2. HATT will establish a goal that all contractors and subcontractors hire qualifying Section 3 residents for a least 30% of the new positions created as a result of contracts with HATT.
3. HATT will establish a goal that at least 10% of the total dollar amount of contracts for construction, repair and rehabilitation is awarded to qualifying Section 3 business concerns. Also, that at least 3% of the total dollar amount of all other HATT contracts is awarded to qualifying Section 3 business concerns.
4. HATT will implement programs to ensure that there is a ready pool of public housing residents trained to fill the positions offered by HATT, its contractors, or subcontractors. Training programs will be geared to ensure that residents will meet the minimum requirements, i.e. valid driving license, high school diploma or equivalent, drug free workplace requirement, and criminal background checks, for HATT and contractor employment positions. HATT will make every effort to assist

those residents with obtaining adequate support services such as day care and transportation. It will also ensure that residents of HATT communities are aware of opportunities as they become available and that contractors know how to reach the ready pool of potential employees from HATT communities.

II. OUTREACH TO QUALIFIED BUSINESSES AND RESIDENTS

Outreach and recruitment of qualified residents and businesses for Section 3 employment or contracting opportunities is a three-stage process that includes:

- Recruiting residents to participate in employment training programs provided by HATT and its service providers;
- Notifying qualified residents of positions as they become available; and
- Providing residents with the support necessary to successfully apply and interview for the job.

A. Modernization Department Responsibilities

1. Conduct an informational fair at least once a year for HATT vendors and explain the Section 3 program.
2. In conjunction with HOPE VI/ Resident Services, coordinate training sessions on the basics of small business operation for interested residents through available mentoring and training resources and provide training on HATT's procurement process.

B. HOPE VI/ Resident Services Responsibilities

1. HATT's HOPE VI/Resident Services Department will conduct Section 3 outreach and referrals to housing authority residents. Outreach efforts will include knocking on doors, job fairs, and information sessions. The HOPE VI CSS/ Relocation Specialist and Resident Services Specialist will provide information to all residents through the monthly resident newsletters. Section 3 program information will also be presented during each resident's annual re-certification.
2. HATT's HOPE VI/Resident Services Department will build and maintain a database of residents by conducting an agency-wide survey at least once annually to collect the following information:
 - a. Employment status
 - b. Income and income source
 - c. Educational level
 - d. Self-description of skills

- e. Job training completed, including type of training and name of organization that provided the training
 - f. Requests for training and support services
3. HOPE VI/Resident Services Department staff will work with development managers to update the database during annual re-certifications.
 4. At least twice a year, the HOPE VI/Resident Services Department will prepare and distribute information and a schedule regarding job readiness and training opportunities available to HATT residents. These will include programs sponsored by HATT, as well as training opportunities available through other resources in the community. This information will include eligibility requirements and prerequisites and a contact name and number for each program or institution listed. Individual flyers will be prepared and distributed to remind residents of upcoming programs.
 5. Ensure that all residents are aware of HATT's Section 3 program by presenting the program to the Resident Councils.

III. RECRUITMENT OF QUALIFIED BUSINESSES AND RESIDENTS

A. Modernization Department Responsibilities

1. Work with representatives of the construction industry to increase resident access to industry training programs.
2. Identify possible training and work opportunities for HATT resident participation and notify HOPE VI/ Resident Services of available opportunities.
3. Maintain a current and complete list of HATT Section 3 businesses and residents and provide it to all contractors as part of the bid document package.
4. Develop resources that will allow bonding and insurance for qualified first time Section 3 business applicants.
5. Ensure all HATT issued Requests for Proposals or Invitations for Bids are sent to all Section 3 businesses registered with HATT.
6. Assist in the distribution of HATT issued Requests for Proposals or Invitation for Bids to area minority contracting associations, community development corporations, and other business assistance agencies and community organizations.
7. Develop procurement and contracting procedures that encourage the participation of small businesses. In addition to the goal of hiring residents at HATT and through HATT contractors, HATT will also use resident-owned Section 3 businesses in its contracting, subcontracting and procurement, as is feasible.

B. HOPE VI/Resident Services Department Responsibilities

1. Help interested residents locate educational and training programs.
2. Notify HATT pre-apprentice and apprentice program trainees in writing of open application periods for construction training classes/apprenticeship programs.
3. Monitor outreach and recruitment efforts to ensure that eligible and qualified residents of HATT communities are aware of and successfully apply for new positions with contractors working for HATT and for vacancies available within HATT.
4. Monitor the status of referrals to the contractors and coordinate with Modernization Department to track actual hires and placements with contractors.
5. Work with residents identified through the HOPE VI/ Resident Services Department as being interested in and capable of starting or expanding a business. Distribute information on small business development and maintenance.
6. Create a program of support for Section 3 businesses so that they are prepared to take advantage of Section 3 contracting opportunities. Such support may include developing resources where Section 3 businesses can receive assistance with writing business plans or other managerial and operational advice and assistance where possible.

IV. EMPLOYMENT TRAINING OPPORTUNITIES

Jobs for residents of HATT communities, created through the Section 3 program, are just one component of a successful resident employment initiative at HATT. Section 3 applies only to new hires, and the majority of the contracting jobs created as a result of Section 3 are construction-related and thus not long term at any one site. Therefore, to maximize the benefits of its Section 3 program, HATT will employ the following techniques:

- Utilize the Section 3 Program as only one of several avenues to provide jobs for residents that are successful participants in its self-sufficiency and CSS programs.
- Provide supportive services to help ensure the success of residents employed as a result of the provisions of Section 3.
- Work with representatives of the construction and other industries to increase the access for residents of HATT communities to existing construction and other training programs provided in the community.

V. PROCUREMENT AND CONTRACTING

A. Goals

The Modernization Department will develop, implement and monitor procurement and contracting policies and procedures to:

1. Ensure that HATT contractors and subcontractors maximize hiring of residents of HATT communities, and
2. Facilitate contracting with resident-owned business enterprises.

B. Strategies

To accomplish these goals, the Modernization Department will employ a series of strategies, which include, but are not limited to, the following:

1. Establish standards for structuring and awarding contracts that provide incentives for full participation in the provisions of Section 3 and for enforcing the Section 3 contract provisions.
2. All Section 3 covered contracts will include the "Section 3 clause" as required by 24 CFR 134.38.
3. Offering documents will include notification that the bidder/proposer can include:
 - A Schedule of Workforce and Hiring Projections
 - Section 3 Opportunities Plan, which proposes a strategy for accomplishing or exceeding the goal of hiring residents of HATT properties for at least 30% of new positions that become available with the contractor or subcontractors after the contract is awarded, if available.
4. Any bidder/proposer who presents a satisfactory projection of new hires, a conscientious Section 3 Opportunities Plan and a stated goal to hire at least 30% of new employees on the job from among qualified residents will receive additional consideration in the bidding process through bonus points awarded based on the documentation received.
5. Contractors will be required to submit, as part of their bid package, a comprehensive list of all of the firm's employees at the time the bid was submitted and those of each of the subcontractors which s/he is anticipating using. This list will indicate the name, address, race or ethnicity, gender, trade or position and whether they are residents of HATT communities. This will be the "core employee" list and will be used to determine new hires. Once a preliminary selection has been made, and before the contract is awarded, an updated list must be provided before the contract can be awarded, negotiated and executed. Similarly, when changes occur in subcontractors, the contractor shall provide the Modernization Department with a core employment list from the contractor before executing the contract.
6. When contracts are less than \$100,000 in value and the list of certified resident owned businesses and previous contracting experience indicates that qualified resident owned businesses are available to successfully complete the contract, the Contracting Officer (who may be the Executive Director or his/her designee) may limit the invitation for bids to certified, qualified resident owned businesses according to the provisions of 24 CFR Part 963.

7. When goods and/or services to be contracted for are less than \$100,000 and the contract was procured through solicitation or sealed bids, the Contracting Officer may award the contract to a responding qualified, certified resident owned business if the quotation from the business under consideration is no more than 10% greater than the lowest responsive offer.

C. Section 3 Opportunities Plan

In reviewing bid packages, the Contracting Officer will review Schedule A and the Section 3 Opportunities Plan provided by the Contractor to determine if the bid is responsive. In order for a Section 3 Opportunities Plan to be deemed fully responsive by the Contracting Officer, it should include the following basic components:

1. Bidder's commitment to develop and implement the Section 3 Opportunities Plan.
2. Plans for presentations by representatives of the contractor and subcontractors to the Resident Council of the property(ies) where work will take place. Presentations will include job and application information. This information should also include work readiness training programs and information about careers available in the contractors and subcontractors field.
3. Willingness to provide sponsorship of unskilled residents in registered union or nonunion apprenticeship programs.
4. Assignment of new employees to individual journeymen to learn trades, work habits, and standards.
5. Agreement to provide to the Section 3 Coordinator with a written evaluation of employees who are HATT residents.
6. Acknowledgment that the hiring of a resident of a HATT community is a commitment to the career development of that employee and that the hiring goals will not be met simply by temporarily hiring a resident.
7. A subcontracting plan and outreach and support strategy for awarding 10% of the value of all construction subcontracts and 3% of all others to Section 3 businesses.
8. Sample language regarding Section 3 compliance to be included in each subcontractor's contract.
9. Identified employee of the contractor who will be responsible for monitoring subcontractor Section 3 compliance and assuring that all required documentation is provided to HATT.

During the evaluation process and before any contract is awarded, the Contracting Officer will review the Schedule A and the Section 3 Opportunities Plan to determine if it complies with HATT's policies. A detailed review, in conjunction with the Modernization Department, may result in an adjustment to the number of HATT residents to be hired or dollar value of subcontracts to be let to Section 3 businesses.

D. Contract Size

1. If the estimated value of the contract is \$0 – 24,999, Section 3 requirements apply, but no additional documentation from the contractor will be required.
2. If the estimated value of the contract is \$25,000 - \$99,999, bidders will be required to submit a modified Section 3 Plan as follows:
 - a. 30% (as defined) of new employees will be hired from among qualified Section 3 residents.
 - b. Offering documents will include a modified Section 3 Opportunities Plan.
 - c. Any bidder/proposer's failure to present a modified Section 3 Opportunities Plan and a commitment to hire at least 30% of new employees on the job from among qualified Section 3 residents may render the bid non-responsive and cause the contractor to be disqualified.
3. If the estimated value of the contract is in excess of \$100,000, bidders who submit a Section 3 Action Plan will be required to submit as a part of the plan the documents listed below:
 - a. Form 1: Existing Employee Listing
 - b. Form 2: Training Plan
 - c. Form 3: Contracting Plan
 - d. Form 4: Subcontracting Activity Report
 - e. Form 5: Section 3 Resident Affidavit
 - f. Form 6: Section 3 Business Concern Affidavit
 - g. Schedule A Acknowledgment

E. Requirements for the Competitive Proposal Method of Procurement

1. For HATT contracts and subcontracts awarded under the competitive proposal method of procurement, a Request for Proposals (RFP) or a Request for Qualifications (RFQ) shall identify all evaluation factors to be used to rate proposals.
2. All HATT RFP/RFQ's shall contain Section 3 evaluation factors. The evaluation factors shall address both the preference for Section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement as disclosed in proposals. These factors shall be at least 5 percent of the total number of available points to be set aside for the evaluation of these two components.
3. With respect to the second component (the acceptability of the Section 3 strategy), the RFP/RFQ shall require the disclosure of the contractor's Section 3 strategy to

comply with the Section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the offeror's responsibility will include the submission of an acceptable Section 3 strategy. The contract award shall be made to the responsible firm whose proposal is determined most advantageous, considering price and all other factors specified in the RFP/RFQ.

4. The evaluation committee shall provide a written summary explaining its scoring rationale for each of the evaluative factors.

VI. CONTRACTOR REQUIREMENTS

The Contractor will be required to hire Section 3 employees as 30% of all new hires. A new hire is defined as any person hired after the signing of the contract. At the time of contract negotiation specific new hires will be determined based on the contractor's plan/schedule for completing the job. Positions for new hires shall not be filled immediately prior to undertaking work in order to circumvent regulations set forth in 24 C.F.R. Part 135.

A. Procurement Documents

Each bidder/proposer must include:

1. A signed certification that states that the Contractor will abide by the requirement to hire at least 30% of new employees on the job from among qualified residents.
2. A schedule of workforce and hiring projections.
 - a. If the contractor is submitting a Section 3 Opportunities Plan for consideration for incentive points, the Section 3 Opportunities Plan, which includes the documents listed above, must be included.
 - b. If a bidder/proposer fails to submit required documents, their bid/proposal will be declared as non-responsive. If a bidder/proposer fails to submit a Section 3 Opportunities Plan and the related data along with the bid/proposal, their bid/proposal will not be eligible for any incentive points or priority consideration in the bid process.

B. Section 3 Information

Prior to the award of any contract, the contractor shall negotiate with HATT the number of HATT residents or other Section 3 residents to be trained or employed through the contract. This number shall be subject to HATT's approval and shall be a minimum of 30% of new hires. The resulting provision will be incorporated into the contract and shall obligate the contractor to achieve the stated goal. HATT reserves the right to request the following information from the contractor:

1. A narrative of the steps that will be taken to aggressively pursue and comply with Section 3.

2. Job categories of construction trade, administrative or other jobs that will be necessary on this project.
3. Total number of expected hours to be spent on the job in each of the above employee/trade categories provided throughout the life of the contract. These numbers should reflect both existing and new employee time.
4. Total number of expected new hires in each category. These numbers should reflect the total number of expected employees in each category, minus the number of existing employees in each category.
5. Total number of expected Section 3 new hires in each category. This number should reflect all the low- and very low-income individuals the contractor intends to hire in order to comply with the numerical goals of Section 3 which is 30% of all new hires
6. Expected hire date(s) of new hires by category. This should reflect the progression of work on the project, i.e., when the workers will be needed on the project for concrete work, framing, plumbing, finish work, etc.
7. Total number of expected Section 3 new hires that the contractor will aggressively pursue. In order to maximize contractor efforts to recruit and hire Qualified Section 3 residents (see definition), the following order of priority will apply:
 - a. HATT public housing residents referred through training/social service programs
 - b. Youthbuild participants referred through training/ social service programs
 - c. HATT Section 8 residents referred through training/social service programs
 - d. Any low- or very low-income candidates referred through training/social service programs
 - e. Any low- or very low-income candidates from any source
 - f. Any candidate through training/social service programs
 - g. Any candidate from any source
8. List of any anticipated needed training relating to this project. This training does not have to be exclusive to construction.
9. Type of training available and the number of expected training hours available by the contractor per the training category.
10. Narrative plan for the outreach, implementation, monitoring and enforcement of the Section 3 program.
11. A list of core employees with the bid package. This list is to include the names and dates of hire of all employees, including clerical, supervisory, warehouse and other staff for the general contractor and all subcontractors.

VII. MONITORING AND COMPLIANCE

A. Contractor Monitoring

HATT will monitor contractor compliance over the life of the contract through compliance reviews monthly and cumulatively. HATT will also monitor contractor response to deficiencies in compliance.

1. Each month, the HOPE VI CSS/ Relocation Specialist and Resident Services Specialist will interview a sampling of their resident caseloads referred to meet Section 3 goals, including those residents who were hired, referred but not hired and those residents who resigned, were terminated or laid off. These interviews will be placed in the resident's file and a copy forwarded to the Modernization Department to be included along with the employment interview reports provided by the contractor, in the Section 3 compliance file. The interviews will be structured to determine the training needs of the resident, job site problems that could be resolved to make employment more productive for other employees and compliance with basic workplace policies.
2. The Modernization Department will also monitor the contractor's and subcontractor's outreach and hiring practices and gauge them against Schedule A – Workforce and Hiring Projection; the negotiated resident hiring provisions of the contract; and the finalized Section 3 Opportunities Plan. The Contracting Officer, in conjunction with the Modernization Department, will review the subcontracts to determine the dollar value awarded to Section 3 concerns.
3. The Section 3 Opportunities Plan, if provided, will be included in its final negotiated form in the contract documents and should have a projected monthly hiring schedule. Compliance with the plan will be determined at the end of the contract prior to substantial completion. At that time, the Director of Modernization will evaluate resident hiring and retention and Section 3 business subcontracting.
4. All contracts will be evaluated at closing for compliance with the Section 3 program. The contractor's compliance with the program may be used to determine contractor responsibility and bid responsiveness on future contracting opportunities with the Housing Authority of the City of Texarkana, Texas.

B. Resident Monitoring

The Director of Modernization, working in conjunction with contractor(s) and the HOPE VI/ Resident Services department, will assure that Section 3 employees receive regular evaluations of their work and fair, appropriate disciplinary treatment as follows:

1. Evaluation: The contractor will conduct an evaluation meeting with HATT resident employees every other month to acknowledge good performance and to discuss areas for improvement. A written evaluation will be provided to the employee signed by the superintendent or project manager and the employee. If an employee is laid off or terminated, an exit interview will be conducted.

2. Discipline: The contractor will notify HATT in writing of any disciplinary action involving a Section 3 employee.

C. Contractor Requirements

1. The contractor will be required to appoint a Section 3 Coordinator.
2. The contractor and sub-contractors will be required to be in compliance with the Owner's Section 3 Plan throughout the duration of the contract.
3. The contractor will provide the following reports to the Modernization Department to facilitate monitoring Section 3 hiring and contracting activity, compliance with Davis-Bacon Wage Rate requirements and the provision of economic opportunities for women and minorities.
 - a. Report on interview and evaluation of each HATT resident referred by HATT that is not hired, including when the decision is made and the resident notified.
 - b. A biweekly certified list of all new hires for each contractor and subcontractor, The certified lists will include: name, address, trade, section category, gender and ethnic group or race, date hired, indication of how contact was made (HATT referral, walk-in, resident council referral, etc.)
 - c. A biweekly certified payroll for each contractor and subcontractor. The certified payroll will indicate: trade and status (i.e., apprentice, journeyman, master, foreman, superintendent, etc.), wage rate and hours worked each day, whether claimed as Section 3 employee, name and address of each employee.
 - d. A copy of each subcontract when executed, with cover sheet indicating dollar value of contract and gender and race or ethnicity of 51% owner and whether or not the business is a certified Section 3 business.
4. The contractor will submit the above to the Director of Modernization. If the Director of Modernization determines that the required monthly submissions are not complete, s/he will withhold approval of payment of the monthly draw.
5. The contractor shall maintain at an office on the construction site, documentation of Section 3 outreach and recruitment activities available for review by the Section 3 Coordinator. Items to be made available for review include:
 - a. Walk-in applicant list indicating which job applicants were residents of HATT communities and status of their application/employment;
 - b. List of applicants and their application or employment status;
 - c. Equal Employment Opportunity Policy;
 - d. Sexual Harassment Policy; and
 - e. Certification of non-segregated facilities.

6. The contractor will notify the Modernization Department in writing of any walk-in applicants or applicants recruited or interviewed. Further, in order to maximize Qualified Section 3 resident hiring, the contractor will interview and hire according to the following order of priority:
 - a. HATT public housing residents
 - b. Youthbuild participants
 - c. HATT Section 8 residents
 - d. Any low- or very low-income candidates referred through a Texarkana, Texas area social service provider
 - e. Any low- or very low-income candidates from any source
 - f. Any candidate from any source

D. Reporting

The contractor shall provide a status report identifying its progress in meeting the Section 3 goals, as established, on a monthly basis throughout the contract period. The monthly status report shall be submitted no later than 15 days after the end of each calendar month of the contract (e.g. April 15 for March). For any goal not met, the report shall identify any other economic opportunities, which the contractor has provided or intends to provide to HATT residents. This report will provide HATT with all information required to monitor compliance with its Section 3 plan including, but not limited to, new hires, core employees, certified payroll, workforce utilization and other relevant data to be specified.

The Director of Modernization will also be responsible for preparing the annual report to HUD on Economic Opportunities for Low-Income Persons in conjunction with Assisted Projects. (Form HUD 60002).

E. Alternative Compliance

Contractors may demonstrate compliance with Section 3 committing to employ Section 3 residents as 30% of the aggregate number of new hires for the duration of the contract.

VIII. PROTEST AND COMPLAINT PROCESSING

A. Cooperation in Achieving Compliance

HATT recognizes that the success of ensuring that Section 3 residents and Section 3 business concerns have the opportunity to apply for jobs and to bid for contracts generated by covered HUD financial assistance depends upon the cooperation and assistance of the housing authority, the contractors and subcontractors.

All recipients shall cooperate fully and promptly with the HUD in Section 3 compliance reviews, in investigations of allegations of noncompliance made and with the distribution and collection of data and information.

HATT shall refrain from entering into a contract with any contractor after notification to the recipient by HUD that the contractor has been found in violation of the regulations. The provisions of 24 CFR Part 24 apply to the employment, engagement of services, awarding of contracts or funding of any contractors or subcontractors during any period of debarment, suspension or otherwise ineligible status.

B. Filing and Processing Complaints

1. The following individuals and business concerns may, personally or through an authorized representative, file with the HUD a complaint alleging noncompliance with Section 3:
 - a. Any Section 3 resident on behalf of himself or herself, or as a representative of persons similarly situated, seeking employment, training or other economic opportunities, or by a representative who is not a Section 3 resident but who represents one or more Section 3 residents;
 - b. Any Section 3 business concerns on behalf of it or as a representative of other Section 3 business concerns similarly situated, seeking contract opportunities generated from the expenditure of Section 3 assistance from a recipient or contractor, or by an individual representative of Section 3 business concerns.
2. Written complaints can be filed with HATT, the local HUD Field Office via the internet at <http://www.hud.gov/offices/fheo/aboutfheo/fhhubs.cfm> or mailed it to:

The Assistant Secretary for Fair Housing and Equal Opportunity
Attn: Office of Economic Opportunity
U.S. Department of Housing and Urban Development
451 Seventh Street, S.W.,
Room 5100
Washington, D.C. 20410-2000

A written complaint should contain:

- a. Name and address of the person filing the complaint
- b. Name and address of subject of complaint (HUD recipient, contractor or subcontractor)
- c. Description of acts or omissions in alleged violation of Section 3
- d. Statement of corrective action sought i.e. training, employment or contracts

C. Time of Filing

1. A complaint must be received not later than 180 days from the date of the action or omission upon which the complaint is based, unless the time for filing is extended by the Assistant Secretary for good cause shown.

2. Where a complaint alleges noncompliance with Section 3 and the regulations of this part that is continuing, as manifested in a number of incidents of noncompliance, the complaint will be timely if filed within 180 days of the last alleged occurrence of noncompliance.
3. Where a complaint contains incomplete information, the Assistant Secretary shall request the needed information from the complainant. In the event this information is not furnished to the Assistant Secretary within sixty (60) days of the date of the request, the complaint may be closed.

D. Contents of Complaint

Each complaint must be in writing, signed by the complainant, and shall include:

1. Name and address of the complainant;
2. The name and address of the respondent;
3. A description of the acts or omissions by HATT that is sufficient to inform the Assistant Secretary of the nature and date of the alleged non-compliance; and
4. A complainant may provide information to be contained in a complaint by telephone to HUD.

E. Amendment of Complaint

Complaints may be reasonably and fairly amended at any time. Such amendments may include, but are not limited to, amendments to cure technical defects or omissions, including failure to sign or affirm a complaint, to clarify or amplify the allegations in a complaint, or to join additional or substitute respondents. Except for the purposes of notifying respondents, amended complaints will be considered as having been made as of the original filing date.

F. Resolution of complaint if the complainant files a complaint with HATT

1. Within ten (10) days of a timely filing of a complaint, that contains complete information, the Contracting Officer shall determine whether the complainant alleges an action or omission by a recipient or the recipient's contractor that if proven qualifies as noncompliance with Section 3. If a determination is made that there is an allegation of noncompliance with Section 3, the complaint shall be sent to the recipient for resolution.
3. If the Contracting Officer believes that the complaint lacks merit, the Contracting Officer must notify the complainant, in writing, of this recommendation with supporting reasons, within thirty (30) days of the date of receipt of the complaint. The complainant may then file their complaint with the Assistant Secretary, if they have not already filed such complaint. If the complaint is subsequently filed with the Assistant Secretary, the determination that a complaint lacks merit is reserved for the Assistant Secretary.

4. If the Contracting Officer determines that there is merit to the complaint, HATT will have sixty (60) days from the date of receipt of the complaint to resolve the matter with the complainant. At the expiration of the sixty (60) day period, HATT must notify the complainant in writing whether a resolution of the complaint has been reached.
5. If resolution has been reached, the notification must be signed by both HATT and the complainant, and must summarize the terms of the resolution reached between the two parties.
6. If the complainant and HATT are unable to resolve the complaint within the sixty (60) day period, the complaint and complainant shall be referred to the Assistant Secretary for handling.
7. Judicial relief: Nothing in this procedure precludes a Section 3 resident or Section 3 business concerning from exercising the right, which may otherwise be available, to seek redress directly through judicial procedures.

G. Resolution of complaint if the complainant files a complaint with HUD (and bypasses HATT)

Complaints filed directly to HUD will be investigated; if appropriate, voluntary resolutions will be sought as determined by HUD. A complaint that cannot be resolved voluntarily may result in an administrative hearing, as determined by HUD.

IX. DEPARTMENTAL RESPONSIBILITIES

Every HATT department has a role and responsibilities in ensuring that these courses of action are successfully pursued.

A. Executive Administration

1. Monitor HATT compliance with Section 3 goals and objectives.
2. Regularly review and update Section 3 Policy accordingly.

B. Human Resources

1. Implement procedures designed to notify residents about training and employment opportunities within HATT.
2. Document Section 3 hiring within HATT.
3. Incorporate Section 3 hiring goals and procedures into HATT Personnel Policy.
4. Notify various departments working with resident initiatives of vacant positions within HATT.

5. Provide to the Resident Services Department a quarterly list of positions filled and indicate which of the new hires are residents of HATT communities.

C. Modernization Department

1. Ensure every invitation for Bid or Request for Proposal includes compliant Section 3 notification language.
2. Ensure qualified Section 3 businesses are aware of the requirement that they be certified prior to their participation in procurement and that they are in fact certified. The Department maintains a current list of certified Section 3 businesses and their capabilities.
3. Provide every potential HATT contractor a current list of Section 3 businesses and is aware of the systems that HATT has in place to facilitate the hiring of qualified Section 3 residents (as defined in 24 CFR, Part 135).
4. In evaluating bids and proposals, ensure that the lead contractor made best efforts to include qualified Section 3 businesses for at least 10% (for building related contracts) or 3% (all other contracts) of the dollar amount of the contract.
5. Require every contract in the amount of \$25,000 or higher to include a certification from the contractor that he/she will comply with HATT Section 3 requirements. This certification will include making the best efforts to hire at least 30% of new employees from among qualified Section 3 residents.
6. Ensure that every bidder for contracts in excess of \$25,000 that opts to submit a Section 3 Opportunities Plan submit a plan which includes the following: Workforce projections identifying projected new hires; a strategy for ensuring that a least 30% of those new hires are qualified Section 3 residents; and a method to assure that 10% of the value of a construction contract or 3% of all others are awarded to Section 3 subcontractors. Section 3 compliance will not apply to bids estimated to be less than \$25,000. Modified Section 3 compliance will apply to bids estimated to be between \$25,000 and \$100,000.
7. Immediately upon execution of the contracts in excess of \$25,000, require the contractor submits a schedule of expected new hires for each project and that the HOPE VI/ Resident Services Department are notified of this schedule.
8. Require every contractor to submit accurate biweekly reports on new hires and certified payrolls once the contracted scope is underway.
9. Ensure files and data are maintained to document HATT compliance with Section 3 requirements in contracting and employment, and the required annual performance reports are submitted to HUD.
10. Prepare and submit annual construction activity projections and regular updates to HOPE VI/Resident Services Department so that a sufficient pool of residents can be trained and prepared for the projected contracting vacancies.

11. Ensure construction draws are not approved unless all biweekly hiring reports and payrolls are submitted and complete.

D. HOPE VI/Resident Services Department

1. Conduct outreach and recruiting efforts that refer residents to the contractor and/or his/her appointed Section 3 Coordinator.
2. Provide ongoing training and assessments for residents in the areas of projected hiring needs to qualify residents to fill projected HATT vacancies.
3. Maintain postings of all vacancy announcements at multiple locations, including every HATT community and all HATT sponsored training sites.
4. Coordinate outreach activities, such as job fairs, to promote awareness of Section 3 opportunities.
5. Prepare and distribute information regarding job readiness and training opportunities available to HATT/HOPE VI residents to all residents.
6. Provide technical support to residents through a planned process of providing job training opportunities and/or referrals.
7. Work with Section 3 clients in enrolling in classroom and on-the-job training programs in a variety of construction related training and apprenticeship programs.
8. Lead HATT's effort to foster and strengthen partnerships with outside agencies for collaborative efforts to maximize training, employment, and business development opportunities for public housing residents.
9. Coordinate efforts to remove barriers to employment faced by public housing residents in areas of day care, transportation, education, and employability skills development.
10. Conduct the annual employment survey to residents.

X. HOPE VI PROGRAM

The successful implementation of Section 3 is a key goal of HATT HOPE VI Program. The Director of HOPE VI/ Resident Services and the Director of Modernization will act as the liaisons between the master developer, general contractor, etc. and the Community and Supportive Service (CSS) staff in order to facilitate communication of Section 3 staffing needs and necessary time frames for the construction and material related portions of the HOPE VI contracts.

The CSS Program of HOPE VI is committed to helping participants accomplish career goals and increase income levels. A participant can be involved in job training, an apprenticeship program, and/or develop his/her own business. The job training program will work to develop skills that will be useful at the HOPE VI site. The HOPE VI CSS/ Relocation

Specialists and Resident Services Specialist will work with resident owned businesses to inform them of subcontracts connected with the HOPE VI projects.

A. HATT/HOPE VI Employment Training Opportunities

The mission of HOPE VI CSS is to remove barriers and assist residents in attaining personal and economic self-sufficiency by providing community supportive services and increasing resident opportunities for an improved, sustainable quality of life. Jobs for residents of HATT communities, created through the Section 3 program, are just one component of a successful HOPE VI Program at the Housing Authority of the City of Texarkana, Texas. Section 3 refers to job opportunities (new hires by all contractors associated with the project) created as a result of construction-related contracts. Recognizing the short-term nature of many of these contracts, and in an effort to maximize the benefits of the Section 3 program, HATT will employ the following techniques:

1. Utilize the Section 3 Program as only one of several opportunities to provide jobs for residents that are successful participants in its programs;
2. Provide community and supportive services to help ensure the success of residents employed as a result of the provisions of Section 3; and
3. Work with representatives of the construction industry to increase the access for residents of HATT communities to existing construction training programs provided by the industry.

B. HATT/ HOPE VI Supportive Services

The HOPE VI Program is committed to helping participants complete their educational goals as well as providing opportunities for job and vocational training. The HOPE VI Program can assist in arranging supportive services including:

1. Child Care Assistance
2. Education and Job Training
3. Transportation
4. Medical Services
5. Job Placement Assistance
6. Counseling
7. Financial Management
8. Life Skills Training Including Parenting, Housekeeping, and Home Repair
9. Home Ownership and Mortgage Lending guidance

C. Resident Outreach and Recruitment

1. The HOPE VI Department will conduct Section 3 outreach and referrals to the residents. Outreach efforts will include knocking on doors, job fairs, mailings included in rent statements, and information sessions during support group meetings. CSS/ Relocation Specialists will also present information to each resident during monthly sessions.
2. HOPE VI/ Resident Services Department will build and maintain a database of residents to target with outreach efforts by conducting an agency-wide survey to collect the following information:
 - a. Employment status
 - b. Income and income source
 - c. Educational level
 - d. Self-description of skills
 - e. Job training completed, including type of training and the name of the organization that provide the training
 - f. Requests for training and supportive services
3. CSS/ Relocation Specialists will work with the Property Management staff to update the database during annual re-certifications.
4. At least twice a year, the CSS/ Relocation Specialists will prepare and distribute to each resident, information regarding job readiness and training opportunities available to HATT residents. These will include programs sponsored by HATT, as well as training opportunities available through other community resources.
5. HOPE VI will provide application assistance to any HOPE VI resident requesting such assistance. Individual flyers will be prepared and distributed to remind residents of impending programs and registration deadlines.

D. Business Outreach and Recruitment:

Both the HOPE VI/Resident Services Department and the Modernization Department will be responsible for business outreach and development. The procedure is two-fold:

1. The Modernization Department will work with contractors, provide an introduction of Section 3 regulations, and assist in identifying available positions per the contract with HATT. The Modernization Department will distribute information on potential available positions to CSS/ Relocation Specialist. The HOPE VI/ Resident Services Department will then be responsible for posting the information throughout the

various HATT communities, receiving inquiries from residents interested in receiving a Section 3 referral, and providing the residents with contractor information if necessary.

2. The Modernization Department will provide the businesses/contractors/subcontractors with an opportunity to become Section 3 Certified. This certification is strictly voluntary. The contractors and subcontractors request an assessment of all new hires in order to identify persons who meet the income limits for low and/or very low-income within the last 120 days prior to employment. If the business can verify employees who fall within these guidelines, they may be certified as a Section 3 business.

XI. DEFINITIONS

30% of New Hires/Employees - 30% of new hires/employees is calculated by dividing the total hours worked by all new hires into the total hours worked by Section 3 new hires. The result must be greater than or equal to 30% for compliance.

Complainant - The party alleging that a recipient or contractor has failed or refused to comply with the regulations.

Complaint - An allegation of noncompliance with regulations

Core Employee - The core crew employee is an individual who is a bonafide employee of the contractor at the time the contract is awarded, and was employed by the contractor not less than 120 days prior to the contract award or worked not less than 350 hours during the 120 days preceding the contract award. The contractor is responsible for verifying that core employees are defined by and meet the criteria of the Housing Authority.

HUD Youthbuild – HUD Youthbuild programs are programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended, and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low and very low income families

Low Income Persons - Families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's finding that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families.

New Hires – Full-time employees for permanent, temporary, or seasonal employment opportunities.

Noncompliance with Section 3 - Failure HATT or contractor to comply with the requirements.

Qualified Section 3 Resident - Any individual who meets the low-income or very low-income criteria, who is 18 years of age or older, who is a resident in good standing of public

housing, whose name appears on the lease, or who is a resident of the surrounding community. Qualified Section 3 residents will receive recruiting and hiring priority in the following order:

- HATT residents
- Youthbuild Participants
- HATT Section 8 residents
- Other low- or very low-income residents

Respondent - HATT or contractor against which a complaint of has been filed.

Very Low Income Persons - Families (including single persons) whose incomes do not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustment for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

XII. ATTACHMENTS

EXISTING EMPLOYEE LISTING

PROJECT NAME AND LOCATION: _____

DEVELOPER/CONTRACTOR/APPLICANT: _____

C. DATE: _____

[illegible]

TRAINING PLAN WORKSHEET

Will there be any training opportunities on this project? ☐ YES ☐ NO

If the response was yes, please complete TRAINING PLAN FORM.

INSTRUCTIONS FOR COMPLETION OF TRAINING PLAN FORM

- A. Areas of Anticipated Training in Connection with Project: please list.
- B. Number of Expected Training Hours Available by Training Area Category: please list.
- C. Type of Training Available: Self-explanatory
- D. Opportunities Available by Training Area to Section 3 Residents: please respond with either a “yes” or “no” to indicate whether training will be available for low and very low-income individuals (Section 3 Residents) by training area category.
- E. Comments: Self-explanatory

TRAINING PLAN

[illegible]

CONTRACTING PLAN WORKSHEET

Will there be any contracts or subcontracts let as a result of this project? ☐ YES ☐ NO

If the response was yes, please complete CONTRACTING PLAN FORM.

INSTRUCTIONS FOR COMPLETION OF CONTRACTING PLAN FORM

- A. List Each Contract/Subcontract anticipated in connection with this project and Describe Briefly: Self-explanatory
- B. Approximate Dollar Value of each contract/subcontract: Self-explanatory.
- C. Construction (C) or Non-Construction (NC) contract/subcontract: Self-explanatory.
- D. Section 3 Business Concern (Y/N): Indicate whether this contract/subcontract will be with a Section 3 business concern. NOTE: For all businesses that are identified as Section 3 business concerns on this contracting plan, a Section 3 business concern affidavit must be submitted.
- E. Please provide the expected Ethnic/Racial Code of the contractor/subcontractor. See table on the bottom of the form.
- F. Female Owned Business (Y/N): Self-explanatory.

CONTRACTING PLAN

List Each and Describe Briefly (A)	Approximate Dollar Value (B)	Construction (C) or Non- Construction (NC) (C)	Section 3 Business Concern (Y/N) (D)	Ethnic/ Racial Code (E)	Female Owned Business (Y/N) (F)
	\$				
	\$				
	\$				
	\$				
	\$				
	\$				
	\$				

Gender/Ethnic/Racial Codes:

1. White American	4. Hispanic American	7. Woman Owned
2. African American	5. Asian Pacific American	
3. Native American	6. Hasidic Jew	

SUBCONTRACTOR ACTIVITY REPORT WORKSHEET

Are there any contracts or subcontracts let as a result of this project? ☐ YES ☐ NO

If the response was YES, please complete SUBCONTRACTOR ACTIVITY REPORT.

INSTRUCTIONS FOR COMPLETION OF SUBCONTRACTOR ACTIVITY REPORT.

- A. Contract Number: List Contract Number of project.
- B. HUD Funding Source: List HUD source of funds.
- C. Date: List today's date.
- D. Contractor: Write the name and address of your general contractor.
- E. Project Name and Location.
- F. Actual Construction Start Date: State the date the construction began.
- G. Name of Subcontractor: List the names of the subcontractors separately.
State the address and the Tax ID number of each subcontractor.
- H. Amount of Contract: State dollar amount of the contract with each subcontractor.
- I. Ethnic/Racial Code: Using the Ethnic/Racial Codes listed at the bottom of the page, please indicate the ethnic/racial composition of each subcontractor.
- J. Gender Code: Using the Gender Codes listed at the bottom of the page, please indicate the gender of each subcontractor.
- K. Section 3 Business Concern: For each subcontractor, indicate whether the subcontractor is a Section 3 Business Concern. Each Contractor or subcontractor identified and documented as a Section 3 Business Concern will provide evidence of a commitment to subcontract in excess of twenty-five (25) percent of the dollar award of all subcontracts to be awarded.
- L. Types of Services Provided: For each subcontractor, indicate the type(s) of services provided by the subcontractors. (Including construction and supplies)
- M. Anticipated Start Date: Indicate the anticipated start and completion date of each subcontract.

SUBCONTRACTOR ACTIVITY REPORT

Contract Number: (A)		HUD Funding Source: (B)		Date: (C)		
Contractor: (D)		Address:				
Project Name and Location: (E)				Actual Construction Start Date: (F)		
Name of Subcontractor Complete Address and Tax ID Number	Amount of Contract	Ethnic/Ra cial Code	Gender Code	Section 3 Business Concern (Y/N)	Type(s) of Services Provided (Including Supplies)	Anticipated Start and Completion Date:
(G)	(H)	(I)	(J)	(K)	(L)	(M)
#:	\$					From:
						To:
#:	\$					From:
						To:
#:	\$					From:
						To:
#:	\$					From:
						To:

Ethnic/Racial Codes:

- | | |
|--|--|
| 1. White American
2. African American
3. Native American | 4. Hispanic American
5. Asian Pacific American
6. Hasidic Jews |
|--|--|

SECTION 3 RESIDENT AFFIDAVIT WORKSHEET

Are any of your employees listed as Section 3 residents on your certified payroll? ☐ YES ☐ NO

If the response was yes, please have employee complete SECTION 3 RESIDENT AFFIDAVIT.

INSTRUCTIONS FOR COMPLETION OF SECTION 3 RESIDENT AFFIDAVIT.

1. Provide employee's current address.
2. Indicate whether the employee is a resident of public housing.
3. Indicate the total number of individuals in the employee's family.
4. By using the table, indicate the annual income for the employee's family for the last year. If the family size is over 8, list the annual income for the family.
5. The form should be signed by the employee and notarized.

After the form is completed by an employee, his or her employer is responsible for collecting the form and delivering the form to HATT. The form for any employee must be delivered to HATT when the employee is first listed as a Section 3 resident on a Certified Payroll Form. Each person who fills out this form must be able to verify the information if requested.

SECTION 3 RESIDENT AFFIDAVIT

The undersigned being first duly sworn, on oath, represents, warrants, certifies, deposes and says, under penalty of law, as follows:

1. My current address is (give street address, city, state, and zip code)

2. I ☐ am ☐ am not a resident of public housing.
3. The total number of individuals in my family (include all family members currently living in the household) is _____.
4. The total gross annual income for my family during the last year was \$_____.
5. I understand that the information above relating to the size and annual income of my family may require verification.
6. I agree to provide upon request documents verifying this information and I authorize my employer to release information required for the United States Department of Housing and Urban Development or the Housing Authority of the City of Texarkana Texas to verify my status as a "Section 3 Resident" under Section 3 of the Housing and Urban Development Act of 1968 (and the related regulations).

Name (Signature)

Name (Printed)

County of _____

Subscribed and sworn before me this _____ day of _____, 20_____

Date: _____ Notary Public _____

My Commission Expires: _____

SECTION 3 BUSINESS CONCERN AFFIDAVIT WORKSHEET

Will there be any contracts or subcontract let as a result of this project? ☐ YES ☐ NO

Will any of the contracts described on the Contracting Plan (FORM 3) be with Section 3 business concerns?
☐ YES ☐ NO

If the responses to both questions were yes, please have each of the businesses identified on the Contracting Plan (FORM 3) as Section 3 business concerns, complete the SECTION 3 BUSINESS CONCERN FORM. A separate SECTION 3 BUSINESS CONCERN FORM should be given to and completed by each Section 3 business concern.

INSTRUCTIONS FOR COMPLETION OF SECTION 3 BUSINESS CONCERN AFFIDAVIT

I. BASIC INFORMATION

1. Provide the full legal name of the business.
2. Provide the current address of the business.
3. Indicate whether the business is a corporation, a partnership, a sole proprietorship or a joint venture.
4. Describe briefly the contract or subcontract that the business anticipates undertaking for the project. This should be the same information as in the first column on the Contracting Plan.

II. TYPE OF SECTION 3 BUSINESS CONCERN

1. Please indicate whether the business is a Section 3 business concern.

A "Section 3 business concern" is a business concern that either:

- (a) is at least 51% owned by Section 3 residents,
- (b) has full-time, permanent employees, at least 30% of whom either (i) are currently Section 3 residents, or (ii) have been employed by the business for three years or less and were Section 3 residents at the time when the business first hired them,
- (c) has committed to subcontract in excess of 25% of the dollar award of all subcontracts to be let in connection with the project to businesses that qualify under (a) or (b) above.

A "business concern" is a business entity formed in accordance with state law and which is licensed under state, county or municipal law to engage in the type of business activity for which it was formed.

2. A "Section 3 Business Concern – With Category Preference" is defined as a Section 3 business concern that either:

- (a) is at least 51% owned by Section 3 residents, all of whom live in the project's service area, or
- (b) has full-time, permanent employees, at least 30% of whom live in the project's service area and either (i) are currently Section 3 residents, or (ii) have been employed by the business for three years or less and were Section 3 residents at the time when the business first hired them (category 1 business); or

- (c) is at least 51% owned by Section 3 residents who live in other HATT housing developments not in the project's service area, or whose full-time permanent employees, includes 30% of these Section 3 residents (category 2 business); or
- (d) HUD Youthbuild programs being carried in the metropolitan area in which Section 3 covered assistance is expended (category 3 business); or
- (e) Has committed to subcontract in excess of 25% of the dollar award of all subcontracts to be let in connection with the project to businesses that qualify under (a) or (b) above. (category 4 business)

3. Identify whether the business has been selected to carry out any HUD Youthbuild program.

III. The title of the person signing the affidavit should be inserted. The affidavit must be signed, dated, and notarized. The name of the person signing the affidavit must typed or legibly printed below his/her signature.

SECTION 3 BUSINESS CONCERN AFFIDAVIT

The undersigned being duly sworn, on oath, represents, warrants, certifies, deposes and says, under penalty of law, as follows:

I. BASIC INFORMATION

The following information is true and correct:

1. Name of Company: _____
2. Company Address: _____

3. Type of Business (corporation, partnership, sole proprietorship, joint venture):

4. Project Name and Address(es): _____

5. Name/Type of Contract: _____

II. TYPE OF SECTION 3 BUSINESS CONCERN

For purposes of this section, please refer to the attached instructions for the meanings of the terms “Section 3 Business Concern” and Section 3 Business Concern with Category-Preference” and “HUD Youthbuild Program”. (Please circle your answer.)

1. Is the Company a Section 3 Business Concern? ☐ YES ☐ NO

If “NO”, please go directly to Part III.

2. Is the company a Section 3 Business Concern-With Category Preference? ☐ YES ☐ NO

If “YES”, please go directly to Part III.

3. Has the Company been selected to carry out any HUD Youthbuild Program? ? ☐ YES ☐ NO

SECTION 3 BUSINESS CONCERN AFFIDAVIT (Page 2)

III. VERIFICATION

The company hereby agrees to provide, upon request, documents verifying the information provided on this form.

Under penalty of perjury, I certify that I am the _____(Title) of the Company, that I am authorized by the Company to execute this affidavit on its behalf, that I have personal knowledge of the certifications made in this affidavit and that the same are true.

Name (Signature) _____

Date _____

Name (Printed) _____

State of _____

County of _____

Subscribed and sworn to before me this _____ day of _____, 20_____

Notary Public

My Commission Expires: _____

SCHEDULE A ACKNOWLEDGEMENT

NAME OF CONTRACTOR: _____

RESIDENT EMPLOYMENT AND TRAINING CONTRACT COMPLIANCE

I. EMPLOYMENT AND TRAINING FOR HATT RESIDENTS AND LOW- AND VERY LOW-INCOME AREA RESIDENTS

- A. The contractor hereby agrees to comply with all the provisions of Section 3 as set forth in 24 CFR 135.38 and Owner's Section 3 requirements. The contractor hereby submits this Schedule A as its Section 3 Opportunities Plan. The contractor agrees to employ or appoint a full time Section 3 Coordinator for the duration of the project.
- B. The contractor shall provide a status report identifying its progress in meeting the Section 3 goals established in this Schedule A on a monthly basis throughout the contract period. The monthly status report shall be submitted no later than 15 days after the end of each calendar month of the contract (ex: April 15 for March). The status report shall provide at least the same level of detail as the approved Schedule A. For any goal not met, the report shall identify any other economic opportunities, which the contractor has provided or intends to provide to HATT residents.
- C. Each Bidder/Proposer for a construction or labor related contract shall complete this Schedule A and submit all relevant information required herein. A prime contractor through his/her subcontractors may satisfy the Owner's resident hiring requirements. Please complete the Employment Needs on the attached page with the following:
 - 1. Job categories of construction trade, administrative, or other jobs that will be necessary on this project.
 - 2. Total number of expected hours to be spent on the job in each of the above employee/trade categories provided throughout the life of the contract. These numbers should reflect both existing and new employee time.
 - 3. Total number of expected new hires in each category. These numbers should reflect the total number of expected employees in each category, minus the number of existing employees in each category
 - 4. Total number of expected Section 3 new hires in each category. This number should reflect all the low- and very low-income individuals the contractor intends to hire in order to comply with the numerical goals of Section 3 which is 30% of all new hires.

II. SECTION 3 BUSINESSES – SUBCONTRACTING OPPORTUNITIES

In a one-page letter on your firm's letterhead please provide the following:

- A. Your company's goals, expressed in terms of percentage of planned subcontracting dollars, for the use of Section 3 business concerns as subcontractors.
- B. A statement of the total dollar amount to be subcontracted, total dollar amount to be subcontracted to Section 3 business concerns for building trades, and total dollar amount to be subcontracted to section 3 business concerns for other than building trades work (maintenance, repair, modernization and redevelopment).
- C. A description of the method used to develop the goals above and the efforts to be undertaken by the contractor to meet those goals.

III. COMPLIANCE

- A. Positions shall not be filled immediately prior to undertaking work in order to circumvent regulations set forth in 24 CFR Part 135 et seq., as amended.
- B. Each bidder/proposer must include a Section 3 Opportunities Plan and a Schedule A, which indicates its commitment to meet the Owner's resident hiring requirement.
- C. If a bidder/proposer fails to submit a Section 3 Opportunities Plan and a Schedule A and the related data along with the bid/proposal, such bid/proposal will be declared as non-responsive.
- D. Failure of the contractor to comply with the approved plan shall be a material breach of the contract.

Acknowledged By:

Name of President or Authorized Officer

Company Name

Signature and Title

Date

State of _____

County of _____

Subscribed and sworn to before me this _____ day of _____, 20_____

Notary Public

My Commission Expires: _____

EMPLOYEE NEEDS FORM

NAME OF CONTRACTOR: _____

Job Categories	Total Number of Expected Hours on the Job	Total Number of Expected New Hires	Total Number of Expected Section 3 Hires
Construction			
Administrative			
Other:			
Other:			
Other:			
Other:			
Other:			

Name (Signature) _____

Date _____