POLK COUNTY
Board of County Commissioners
SOCIAL SERVICES DEPARTMENT
HOUSING AND NEIGHBORHOOD DEVELOPMENT OFFICE

POLK
COUNTY

SECTION 3 PLAN

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Definitions

Assistant-The Assistant Secretary for Fair Housing and Equal Opportunity.

Business Concern- 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.

Contractor – any entity which contracts to perform work generated the expenditure of Section 3 covered assistance or for work in connection with a Section 3 covered project.

Housing Authority – Public Housing Agency.

Housing Development – low income housing owned, developed, or operated by public housing agencies in accordance with HUD's public housing program regulations codified in 24 CFR Chapter IX.

HUD Youthbuild Programs – programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1991 (42 U.S.C 12899), 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 person-families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area.

Section 3 Covered Project- the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 Resident-a public housing resident or an individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is considered to be a low to very low income person.

Subcontractor-any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

Very low income person-families (including single persons) whose income does not exceed 50 per centum of the median income for the area.

Vicinity Hiring – hiring of qualified employees who reside in the vicinity (areas of greatest need identified in NSP3 Plan).

Purpose

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u)(Section 3) requires the Polk County Housing and Neighborhood Development Office to ensure that employment and other economic opportunities generated by the Office of Housing and Urban Development (HUD) financial assistance, to the greatest extent feasible, be directed to public housing residents and other low-income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons.

General Policy Statement

It is the policy of the Polk County Housing and Neighborhood Development Office to require its contractors to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability, *veteran's* or marital status and to take affirmative action to ensure that both job applicants and existing employees are given fair and equal treatment.

The Housing and Neighborhood Development Section 3 policy shall, to the greatest extent feasible, result in the recruitment, employment, and utilization of Section 3 residents and business concerns for Section 3 covered contracts partially or wholly funded by the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), and the Neighborhood Stabilization Program (NSP). *Housing and Neighborhood Development Office shall examine and consider a contractor's or vendor's potential for success in providing employment and business opportunities to Section 3 residents prior to acting on any proposed contract award.*

Section 3 Action Plan Implementation

Several initiatives are planned to implement and market the Section 3 Action Plan. Seven goals have been identified:

1) Identify Section 3 residents and businesses/contractors
2) Develop and implement marketing strategies
3) Establish a referral program
4) Support the transition of Section 3 residents and businesses/contractors
5) Certify Section 3 businesses/contractors.
6) Inform General Contractors and sub-recipients on Section 3 regulatory requirements
7) Ensure that sub-recipients develop procurement practices that include the provision for contracting preference and provide an evaluation of a bidder's ability to comply

1. **Goal -** Identify Section 3 residents and businesses/contractors

   Action Steps
   - Develop a registry of Section 3 residents and business concerns

2. **Goal- Develop** and implement marketing strategies to inform residents and business concerns of employment and training opportunities.

   Action Steps
   - Develop a network of information providers to announce up-coming job opportunities
   - Establish a distribution system to announce job and contracting opportunities.

3. **Goal** – Establish a collaboration with experienced private sector partners and Section 3 residents and business concerns.

   Action Steps
   - Develop partnerships between experienced and less experienced Section 3 business concerns through a referral system

4. **Goal** – Support the transition of Section 3 residents and Business concerns

   Action Steps
   - Support the transition of Section 3 residents and Business concerns

5. **Goal** – Certify Section 3 residents and business concerns

Action Steps

- Certify Section 3 residents and business concerns

6. **Goal** – Inform Section 3 General Contractors and sub-recipients on regulatory requirements

Action Steps

- Insert Section 3 clause in contractor's agreements and offer grant technical assistance upon request.

7. **Goal** – Encourage general contractors and sub-recipients to develop procurement practices that include the provision for contracting preference.

Action Steps

- Review all sub-recipient procurement procedures for Section 3 policies statement. Ensure that sub-recipient procurement policies are revised to include Section 3 bid evaluation process. Work with the Procurement Division to advertise Section 3 bidding opportunities on their website, but separate from bids advertised by the County.

Contracting Policy and Procedure

The Housing and Neighborhood Development Office will incorporate the Section 3 Plan into projects over $200,000 and contracts and subcontracts over $100,000 generated for use with federal funding. Policies and procedures will contain goal requirements for awarding contracts to Section 3 business concerns.

All contractors/businesses seeking Section 3 preference must before submitting bids/proposals to the County be required to complete certifications, as appropriate, as acknowledgement of Section 3 contracting and employment provisions required by this section.

Contractor's Requirements in Employing Section 3 participants:

Under the Polk County's Section 3 Program, contractors and subcontractors are required to:

Provide employment opportunities to Section 3 residents/participants in the priority order listed below:

a) **Category 1 – Section 3 Resident**
Residents of the housing development or developments for which the contract shall be expended.

b) **Category 2 – Section 3 Resident**
Housing Choice Voucher residents as well as all other Polk County residents in the vicinity of the project who meet the income guidelines for Section 3 preference (refer to Section 3 Income Limits).

c) **Category 3 – Section 3 Resident**
Participants in HUD Youthbuild program being carried out in the project boundary area.

Resident Hiring Requirements

The Housing and Neighborhood Development Office has adopted a **30%** goal for resident hiring that is to be used on construction contracts (Reference 24 CFR 135.30 — Numerical goal for meeting the greatest extent feasible requirement). It is expected that an appropriate number of residents with particular qualifications or a willingness to begin unskilled labor will be able to participate in the County contracted labor efforts. A prime contractor may satisfy Polk County resident hiring requirements through its subcontractors.

It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to employ Section 3 program participants before any other person, when hiring additional employees needed to complete proposed work to be performed with HUD (federal) funds. (Exhibit "F")

Preference for Contracting with Section 3 Business Concerns

The Housing and Neighborhood Development Office has adopted a goal of at least three percent (3%) of the total dollar amount of Section 3 covered contracts to be awarded to Section 3 Business Concerns. (Reference 24 CFR 135.30 — Numerical goal for meeting the greatest extent feasible requirement).

The Housing and Neighborhood Development Office, in compliance with Section 3 regulations, will require contractors and subcontractors to direct their efforts towards contracts to Section 3 business concerns in the following order to priority:

- **Category 1:** Business concern that is a certified Section 3 business and it is 51% or more owned by a resident of the service area or neighborhood where the work is being performed.

- **Category 2:** Business concern that is a certified Section 3 business and it is 51% or more owned by a resident of the County.

- **Category 3**: Business concern whose permanent workforce includes not less than 30% of Section 3 residents.

- **Category 4:** HUD Youthbuild programs being carried out in the County in which Section 3 covered assistance is expended.

Contractors and subcontractors are expected to extend to the greatest extent feasible, efforts to achieve the numerical goals established by the County.

Contractor and subcontractors that can clearly demonstrate how they will meet the requirements in this section will be given a contracting preference when selecting a contractor (Exhibit "D").

Assisting Contractors to Achieve Section 3 Goal Hiring and Contracting Goals

The Housing and Neighborhood Development Office will assist contractors with little or no experience in achieving Section 3 hiring and contracting goals by:

Requiring the contractor to present a list, to the Labor and Environmental Compliance Specialist, of the number of subcontracting and/or employment opportunities expected to be generated from the initial contract.

_____ Labor and Environmental Compliance Specialist will provide the contractor with a list of interested and qualified Section 3 residents for construction projects or will direct the contractor to the local Housing Authority Office or Workforce personnel responsible for maintaining said list.

_____ Labor and Environmental Compliance Specialist will provide contractor with a list of Section 3 business concerns interested and qualified for construction projects or will direct the contractor to the local Housing Authority Office or Workforce personnel responsible for maintaining said list.

_____ Labor and Environmental Compliance Specialist will inform contractor of known issues that might affect Section 3 residents from performing job related duties.

_____ Labor and Environmental Compliance Specialist will review the new hire clause with contractors and subcontractors to ensure that the requirement is understood.

Section 3 Employment & Training Goals

It is the policy of the County to utilize residents and other Section 3 eligible persons and businesses in contracts partially or wholly funded with monies from the Department of Housing and Urban Development (HUD). The County follows the employment and training goals that contractors and subcontractors, including those providing low to moderate income employment opportunities through economic development activities, should meet in order to comply with Section 3 requirements. (Reference 24 CFR 135.30 — Numerical goal for meeting the greatest extent feasible requirement).

The employment and training goal is thirty percent (30%) of the aggregate number of new hires in any fiscal year.

It is the responsibility of contractors, vendors and suppliers to implement progressive efforts to attain Section 3 compliance. Any contractor that does not meet the Section 3 numerical goals must demonstrate why meeting the goals were not feasible. All contractors submitting bids or proposals to the Polk County HND Office are required to certify that they comply with the requirements of Section 3. The Section 3 Contract Clause specifies the requirements for contractors hired for Section 3 covered projects. The Section 3 Clause must be included in all Section 3 covered projects.

Bidding and Negotiation Requirements

Every applicant and recipient shall require prospective contractors for work in connection with Section 3 covered projects to provide, prior to the signing of the contract, a preliminary statement of work force needs (skilled, semi-skilled, unskilled labor and trainees by category) where known; where not known, such information shall

be supplied prior to the signed of any contract between contractors and their subcontractors. Consideration should be given to those contractors who will have training and employment opportunities for project area residents. When a bidding procedure is used, the invitation or solicitation for bids shall advise prospective contractors of the requirements of these regulations. When a Section 3 covered contract is to be awarded based upon the lowest price or by sealed bids, the Section 3 business concern with the lowest responsive bid shall be given the opportunity to match the lowest responsive bid from any qualified source. If said Section 3 business concern cannot match the lowest responsive bid, then the award shall be made to the source with the lowest bidder. Applicant, recipient and contractors should insert a plan for utilization of project area business in the bid documents (Exhibit "D"). The recipient must have indicated therein that Section 3 applies to the project and what is expected of them. All contractors who bid a job must show in their bid what they will do to implement Section 3. They must in this bid commit themselves to a goal and show what they intend to do to reach that goal. When the bids are opened, they must be evaluated in terms of the bidder's responsiveness to Section 3. A bid which lacks a commitment to Section 3 or which lacks a goal or plan to reach a goal may be judged nonresponsive. Applicants, recipients and contractors will ensure that the attached Section 3 Clause (Exhibit "E") and Assurance of Compliance (Exhibit "C") are made a part of all contracts. In implementing its affirmative action plan, each applicant, recipient, contractor, or subcontractor shall make a good faith effort to achieve its goal or target number and estimated dollar amount of contracts to be awarded to the eligible businesses within each category over the duration of the Section 3 covered project.

Section 3 Reporting

Annual Reporting

The Housing and Neighborhood Development Office will report to HUD annual accomplishments regarding employment and other economic opportunities provided to low and very low income persons under Section 3. Form HUD-60002 is currently being utilized for reporting accomplishments. This form may be changed and updated from time to time as required by HUD and 24 CFR 135.

Monthly Reporting

General contractors and sub-contractors are required to submit to the County a new hires Section 3 compliance form on a monthly basis.

Monitoring Strategy

Every covered grant contract exceeding the Section 3 threshold (greater than $200,000) shall be monitored for compliance with Section 3. In addition, all sub-contracts in excess of $100,000 will be identified and monitored for compliance with Section 3.

We will maintain a listing of all contracts and activities that were covered by Section 3 requirements and categorize them by program year.

Penalty for Non-compliance

Continued failure or refusal by the contractor to comply with Section 3 regulations shall result in sanctions, debarment, suspension and denial of participation in all Housing and Neighborhood Development programs. Specifically, the penalty for non-compliance will be:

1. First instance of non-compliance- warning
2. Second instance of non-compliance- monetary penalty

Certification Procedures

Resident Certification

A Section 3 Resident seeking the preference in training and employment shall complete a Section 3 Resident Preference Claim form (Exhibit "A"). In order to qualify for employment, public housing residents must have their name(s) on a public housing lease, be current on rent, be at least eighteen years of age, and not be involved in any legal action with any law enforcement agency (current documented eviction, criminal and drug activity or trespassing).

Business Certification

Any business/contractor seeking Section 3 preference in the awarding of contracts or purchase agreements with federal funds shall complete the Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capability form (Exhibit "B"). The business concern seeking Section 3 preference must also be able to provide adequate documentation as evidence of eligibility for preference under the Section 3 Program.

Certifications for Section 3 preference for business concerns can also be submitted at the time of bidding for approval. If Housing and Neighborhood Development Office has previously approved the business concern to be Section 3 certified, then the certification letter can be submitted along with the bid. Certifications will expire after 1 year and must be renewed.

NSP3 and Vicinity Hiring

In accordance with the Dodd-Frank Act of 2010, entitlement communities must adhere to the Vicinity hiring preference.

The vicinity is defined as: each neighborhood identified by NSP3 grantees as being the areas of greatest need. All NSP3 subrecipients, contractors and subcontractors will be required to demonstrate efforts to achieve the Vicinity Hiring requirements of NSP3. These efforts are to provide for the hiring of qualified employees who reside in the vicinity of NSP3 projects and contracts with qualified small businesses that are owned and operated by persons residing within the target area vicinity. Subrecipients, contractors, subcontractors will be required to complete the "NSP3 Vicinity Hiring form (Exhibit "F").

EXHIBIT A

SECTION 3 BUSINESS CERTIFICATION

The undersigned makes this affidavit with full knowledge that its contents will be used in the expenditure of funds provided by the United States Government. Under penalty of perjury, he/she hereby claims the following preference under the Section 3 requirements for the following Polk County Housing and Neighborhood Development project:

Project Name & Number: _____
Under the penalty of perjury I hereby state:

I, _____, am the _____ of
(Name of owner, officer, representative) (Title)
_____, located at _____;
(Company Name) (Address, City, State, Zip)
whose business concern is

- ☐ 51 percent or more owned and managed by qualified Section 3 residents;
- ☐ Employs Section 3 residents for at least 30 percent of its full-time, permanent staff; or
- ☐ Provides evidence of a commitment to subcontract to Section 3 business concerns, 25 percent or more of the dollar amount of the awarded contract.
- ☐ None of the above.

And, for the project named above, we claim preference in contracting as a Section 3 business in the category listed below:

- ☐ Category 1: Business concern that is 51-percent or more owned by residents of the housing development for which the Section 3 covered is expended, or whose full-time permanent work force includes at least 30-percent of these persons as employees.
- ☐ Category 2: Business concern that is 51-percent or more owned by residents of other Polk County managed housing developments, including scattered sites, or whose full-time permanent work force includes at least 30-percent of these persons as employees.
- ☐ Category 3: HUD YouthBuild program being carried out within the Polk County.
- ☐ Category 4: Business concern that is 51-percent or more owned by Section 3 residents, including residents receiving other HUD housing assistance or who live in low-income households, or whose full-time permanent work force includes at least 30-percent of these persons as employees.
- ☐ Category 5: Business concerns that subcontract at least 25-percent of the total contract award to Section 3 business concerns (Categories 1-4 above.)

I agree to provide the following evidence to the Project Manager to support this claim for Section 3 preference.

a) For businesses claiming Section 3 status based on ownership of the firm:

Section 3 Business Certification
Page 2

- ☐ Copy of the Articles of Incorporation or Articles of Organization
- ☐ List of owners/stockholders and percentage (%) ownership of each
- ☐ Section 3 Resident Affidavits from owners/officers who qualify as Section 3 residents
- ☐ Category 1 and Category 2 only: Evidence of public housing assistance for each Section 3 eligible owner

b) For businesses claiming Section 3 status based on a workforce comprised of at least 30-percent Section 3 residents:

- ☐ List of all current full-time employees, their hire dates, and their Section 3 status
- ☐ Section 3 Resident Affidavits from all employees for which you are claiming Section 3 status.

c) For businesses claiming Section 3 status based commitment to subcontract 25-percent to Section 3 businesses:

- ☐ List of subcontracted Section 3 businesses and subcontract amount
- ☐ Evidence that identifies each firm listed as a Section 3 business (i.e., written acknowledgement from Polk County Housing and Neighborhood Development Office or the evidence listed above in paragraphs (a) and (b).)

AFFIANT
I declare under penalty of perjury, that the information provided in this affidavit and all supporting documents are true and correct.

Signature _____
Printed Name _____
Date: _____

NOTARY
On this _____ day of _____, 20____, before me personally appeared _____ (name of signer), whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that he/she signed the above/attached document.

_____
Notary Public (Seal)
My commission expires: _____

Exhibit B

A SECTION 3 RESIDENT PREFERENCE CLAIM FORM

The undersigned makes this affidavit with full knowledge that its contents will be used in the expenditure of funds provided by the United States Government. Under penalty of perjury, he/she hereby claims preference under the Section 3 requirements on projects managed by the Polk County Housing and Neighborhood Development Office.

Section 3 Resident Name:_____
My current address is:_____
My household consists of_____ adults and ____ children.
My annual household income is $_____.
My source of income is: _____
(Please list exact source, i.e., employer's name, SSI, TANF, child support, etc.)

My Section 3 Eligibility is based on the following:

Public Housing Resident:

- ☐ Priority 1: I am a current or relocated resident of the housing development where Section 3 covered assistance is being expended.
- ☐ Priority 2: I am currently a resident of Polk County-managed public housing development, or scattered sites, and I have been listed on the lease agreement since (month/year) _____.

Graduate of the HUD YouthBuild Program:

- ☐ Priority 3: I have completed the HUD YouthBuild Program and have earned the rights and responsibilities of graduation from the program. My completion date was month/year)_____.

Other Low-Income Resident

- ☐ Priority 4: Other low income resident. I am currently a resident of Polk County, and, I have a household income less than 80% of the median household income for metropolitan of Polk County per the HUD income table shown below.

Family Size	Extremely Low Income	Low Income
1	$11,770	$28,200
2	$15,930	$32,200
3	$20,090	$36,250
4	$24,250	$40,250
5	$27,200	$43,500

By signing below, you declare that the information provided above is true and correct, under penalty of perjury, and you acknowledge that documentation to support or verify your claim for Section 3 preference may be requested by the Polk County Housing and Neighborhood Development Office or HUD and that you intend to comply with such a request, should it arise.

Signature _____ Date: _____

EXHIBIT C

Assurance of Compliance (Section 3, HUD ACT of 1968)

TRAINING, EMPLOYMENT, AND CONTRACTING OPPORTUNITIES FOR BUSINESS AND LOWER INCOME PERSONS

A. The project assisted under this (contract) (agreement) is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S. C. 170U. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

B. Notwithstanding any other provision of this (contract) (agreement), the (applicant) (recipient) shall carry out the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 135 (published in 38 Federal Register 29220, October 23, 1973), and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this (contract) (agreement). The requirements of said regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned in substantial part by persons residing in the area of the project; the making of a good faith effort, as defined by the regulation, to provide training, employment and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.20 (b) of the regulations in all contracts for work in connection with the project. The (applicant) (recipient) certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these requirements.

C. Compliance with the provision of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this (contract) (agreement), shall be a condition of the Federal financial assistance provided to the project, binding upon the (applicant) (recipient), its successors and assigns. Failure to fulfill these requirements shall subject the (applicant) (recipient), its contractors and subcontractors, its successors, and assigns to the sanctions specified by the (contract) (agreement), and to such sanctions as are specified by 24 CFR Section 135

COMPANY:_____
SIGNATURE:_____
ADDRESS:_____
DATE:_____

EXHIBIT D

Sample Plan

Polk County Section 3 Economic Opportunity Plan Questions

The Section 3 Economic Opportunity Plan must describe the proposed strategies for achieving the Section 3 training and employment numerical goals, and subcontracting numerical goals. (where subcontracting is allowable in the Bid.)

Please review the information below, and provide your responses on separate paper. (A Section 3 Economic Opportunity Plan Instruction Sheet is attached to further assist you in developing your responses to the information requested below.)

1. Identify individual(s) responsible for planning, implementing and tracking the projects' Section 3 training and employment goals. Describe their prior experience in this area.

2. Describe efforts (contractor and subcontractor) to be taken to recruit, solicit, encourage, facilitate, and hire public housing and other low-income persons. Identify any private or public resources that will be used.

3. Describe contractor's activities to be taken for recruiting, soliciting, encouraging, facilitating and selecting Section 3 subcontractors, where applicable.

4. Describe plans to structure project activities in ways that create opportunities for Section 3 firms' participation, where applicable.

YOUR RESPONSES TO QUESTIONS 1-4, WILL CONSTITUTE YOUR PLAN; PLEASE ATTACH YOUR PLAN DOCUMENT AND ALSO INCLUDE THE FOLLOWING INFORMATION ON YOUR PLAN:

(1) COMPANY NAME:_____

(2) YOUR NAME AND PHONE NUMBER:_____

(3) BID NUMBER AND NAME:_____

Sample Plan (Cont.)

PLEASE RE-TYPE YOUR OWN FIRM'S PLAN ON YOUR FIRM STATIONERY

FIRM NAME, ADDRESS, TELEPHONE AND FAX NUMBER

Question #1

Identify individuals responsible for planning, implementing, and tracking the project's Section 3 training and employment goals. Describe their prior experience in this area. The individual responsible for planning, implementing and tracking the project's Section 3 training and employment goals is John Doe, President (or the appropriate title of this individual), of name of firm (hereafter referred to as "Contractor"). He (or she) will obtain all pertinent information to become thoroughly familiar and ensure contract compliance with the HUD Section 3 Regulation. John Doe has worked on construction (or service, whichever is applicable) projects, and is qualified to administer contractor's Section 3 Economic Opportunity Plan (Plan.)

Question #2

Describe efforts (contractor and subcontractor) to be taken to recruit, solicit, encourage, facilitate and hire public housing and other low-income persons. Identify any private or public resources that will be used.

The employment goal is thirty percent (30%) of the aggregate number of new hires.

Contractor will take the following steps to recruit, solicit, encourage, facilitate and hire public housing and other low-income persons, in the event any vacancies occur throughout the duration of the project:

1. Meet with resident associations and managers at the public housing site where work is to take place, first, and second, at other public housing sites.

2. Schedule a time and place for public housing residents to complete job applications.

3. Develop a list of "pre-qualified" Section 3 public housing and other low-income residents who could fill job vacancies that may later become available.

4. Send notices about Section 3 training and employment obligations and opportunities required for this project to labor organizations.

5. Establish a training program to provide public residents and other low income residents with the opportunity to learn basic skills and job requirements.

Sample Plan (Cont.)

6. Advertise in major and community newspapers and on job sites for workers who meet the definition of a Section 3 resident.
Contractor will establish files to record and retain written documentation of all training and employment outreach efforts and resources from agency representatives and job applicants.

Question #3
(ONLY APPLICABLE TO FIRMS THAT SUBCONTRACT)
Describe the contractor's activities to be taken for recruiting, soliciting, encouraging, facilitating and selecting Section 3 subcontractors, where applicable.

Contractor will take all feasible measures to recruit, solicit, encourage, facilitate, and select qualified Section 3 business subcontracting firms to perform at least 10% of the project award amount (contract sum) for each Polk County project for which Contractor is the successful bidder.

Contractor understands that, in addition to awarding work to qualified Section 3 businesses, it is our responsibility to:

1. Use the contractor's or firms solicitation letter to advertise to the "greatest extent feasible" to all firms on lists provided to us by the Polk County and other organizations about the type of work needed to complete each Polk County project,

2. Advise firms of Contractor's obligation to seek and award work to qualified Section 3 businesses, where feasible,

3. Clarify the definition of a Section 3 resident and business.

4. Explain how to qualify as a Section 3 business in order to be eligible to receive a preference from Contractor when subcontractor work is to be awarded, and

5. Provide Section 3 certified firms that are qualified to perform work with an opportunity to submit price quotations for Polk County project work, and where financially feasible, hire such firms as subcontractors.

Documentation of Outreach to find Eligible Section 3 Subcontracting Firms

1. Contractor will establish files to record and retain written documentation of all outreach efforts and responses received from organizations and subcontractors who are contacted.

2. Contractor will provide Polk County with an outreach close-out letter for each project awarded. If Contractor is unable to meet Polk County's requirement to contract at least 10% of the award amount to Section 3 businesses, Contractor will include in its close-out letter an explanation as to why this requirement was not met.

Question #4

Sample Plan (Cont.)

(ONLY APPLICABLE TO FIRMS THAT SUBCONTRACT) **Describe plans to structure project activities in ways to create opportunities for Section 3 firms to participate, where applicable.**

Contractor will make every effort to structure project activities to increase opportunities for Section 3 businesses. This will be accomplished by sub-dividing the work into smaller amounts, or by using multiple firms to complete similar types of work.

Submitted by:_____
Submission Date: _____

_____
President Name

EXHIBIT E

Section 3 Clause

The Section 3 Contract Clause specifies the requirements for contractors hired for Section 3 covered projects. It must be included in all Section 3 covered contracts. All Section 3 covered contracts shall include the following clause (referred to as the Section 3 Clause):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization representative, workers with which the contractor has a collective bargaining agreement, or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number of job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian Housing Assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

EXHIBIT F

NSP 3 Vicinity Hiring Form

NEW HIRES (includes workers who have worked with the contractor in the recent past but did not continue to work for the contractor since the last job.)

Firm Name:	
Project No:	
Project Name:	
Project Address:	

Month of:		**From:**		**To:**	

Review the information below and check all that apply for the pay period shown above:

_____ We have not hired any new employees.

_____ We have hired ____ employees that live within the NSP3 Target Area Vicinity.

_____ We have hired ____ employees who meet Section 3 criteria.

_____ We have hired ____employees who do not meet Non-Section 3 criteria.

We have taken one or more of the following recruitment steps to hire employees who live within the target area vicinity or who meet Section 3 criteria: (check all that apply)

___We have advertised to fill vacancy (ies) at the site(s), where work is taking place, in connection with this project.

Below, we have checked the steps that we have taken to find NSP3 Target Area Vicinity residents and residents that meet Section 3 criteria:

___ Place signs or posters in prominent places within the target area vicinity.
___ Taken photographs of the above item to document that the above step was carried out
___ Distribute employment flyers in locations accessible to NSP3 vicinity residents.
___ Post employment flyers in various locations within the NSP3 vicinity area.
___ Kept a log of all applicants and indicated the reasons why NSP3 Target Area Vicinity residents and/or Section 3 residents who applied were not hired.
___ Retain copies of any employment applications completed by NSP3 Target Area Vicinity residents.
___ Requested training on NSP3 Vicinity Hiring and Section 3 employment requirements.

_____ _____

Print Name and Title Contractor

_____ _____

Date Signature

FOR THE WEEK OF: _____ (Date)

Name of New Hire	Home Address	Low Income: YES or NO	Hired: YES or NO

* Section 3 is intended to ensure that when employment or contracting opportunities are generated because a covered project or activity necessitates the employment of additional persons or the awarding of contracts for work, preference must be given to low- and very low-income persons or business concerns residing in the community where the project is located.

- A "section 3 resident" is: 1) a public housing resident; or 2) a low income person residing in the covered area assistance is expended.
- Section 3 business concerns are businesses that can provide evidence that they meet one of the following:
  - 51 percent or more owned by Section 3 residents; or
  - At least 30 percent of its full time employees include persons that are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; **or**
  - Provides evidence, as required, of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in the above two bullets.

_____ _____

Print Name and Title Contractor

_____ _____

Date Signature

New Hires Report

1. Organization Name:	
2. Location:	
3.a. Contact Name:	
3.b. Contact Phone Number:	

Project Name:				
4. Reporting Period:			to	
5. Program Code:				
6. Date Submitted:				
7. Contract Amount:				

Position Description 8a.	Name of Person 8b.	New Hire? Y/N 8c.	Fill Existing Position? Y/N 8d.	Section 3 Resident Hired? (see 2 below) Y/N 8e.	Section 3 Resident Worksheet Completed 8f.	Date Filled 8g.	Hours worked during report period 8h.

1. List all positions expected to be filled (including existing employees) during the period of the Section 3 project or program

2. Indicate "yes" or "no" here and explain on another sheet any changes from previously filed reports, e.g., a position which had been targeted for Section 3 was not filled with Section 3 resident; a new position was not filled, etc.

This information is true and correct to the best of my knowledge.

Certified this _____ day of _____ by _____

(date) (month, year) (signature)

Name and Title of certifying officer: