

SECTION 3 PLAN

(Owner/Developer and General Contractor)

For _____

(Name and Address of Construction Project)

Submitted by:

Name of Owner/Developer:

Address:

Primary Contact:

Phone number:

Email:

Name of General Contractor:

Address:

Primary Contact:

Phone number:

Email:

General Statement

_____, as the owner/developer, and _____, as the general contractor are committed to comply with the Section 3 act, the Section 3 regulations, and the City of Grand Rapids Section 3 Guidelines. It is our desire to work together to ensure compliance, to the greatest extent feasible, through the awarding of contracts for work and services to Section 3 companies, and to provide employment and training to Section 3 residents. We commit to include the Section 3 clause in the construction contract and all subcontracts. All subcontractors interested in submitting bids for contracts will be informed of the Section 3 requirements and goals. We agree to provide the City of Grand Rapids with copies of all bids received in response to the invitation to bid and copies of all contracts awarded in excess of \$100,000.00.

Goals

Contracting:

To demonstrate compliance with Section 3 regulations, it is desirable to award at least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work, and, at least 3 percent of the total dollar amount of all other Section 3 covered contracts (i.e., professional services) to Section 3 business concerns.

Dollar amount of the construction contract: \$ _____

10% of the total contract is: \$ _____

3% of the total contract is: \$ _____

These goals are affirmed: Initials: (Owner/Developer) _____ (General Contractor) _____

If we do not feel it is feasible to meet the minimum goals set forth above, we will be prepared to demonstrate why it was not possible. We understand failure to follow our Section 3 Plan could result in the Secretary of Housing and Urban Development (“HUD”) finding us non-compliant with the Section 3 regulations.

Employment and Training:

To demonstrate compliance with Section 3 regulations, it is desirable to employ Section 3 residents as 30 percent of the aggregate number of new hires, and to provide training to those new hires. We agree to provide information regarding existing employees and hiring needs as a part of this plan.

A concerted effort will be made to meet the goals in this plan. If the goals are not met, we agree to provide an explanation of challenges in meeting the goals described in this plan, and documentation of our efforts to reach these goals.

Outreach

We are committed to conduct an aggressive outreach campaign to make Section 3 Businesses and Section 3 Residents aware of contracting and employment opportunities in connection with this Section 3 Covered Project. Efforts will include, but not be limited to:

- Publication of opportunities in the Grand Rapids Press or other local newspapers.
- Publication of opportunities with Michigan Works.
- Inviting Section 3 business concerns to relevant bidding opportunities.
- Use of signage at the project site and flyers posted in the neighborhood and surrounding areas.
- Notification to the Grand Rapids Housing Commission, Grand Rapids Area Coalition to End Homelessness, and other appropriate organizations.
- Notification of potential bidding opportunities, training or employment opportunities to Neighborhood and Non-profits groups servicing low-income persons.
- Communicate opportunities to contractor and trade organizations, employment agencies and career centers.

It is not required to include all of these methods in a Section 3 implementation strategy. However, a robust strategy that makes a good faith effort to meet the objectives stated in this plan is expected. The City of Grand Rapids reserves the right to request documentation of efforts made (e.g. proof of advertisement in local newspapers, flyers, and other modes of communications) in order to meet Section 3 goals at any time.

Project Neighborhood Area

The project neighborhood area is: _____.

This area will be the primary focus of all outreach attempts.

Section 3 Coordinator

Name:

Contact information:

This person will serve as the main point of contact for all Section 3 related issues on behalf of the owner, general contractor, and subcontractors.

Reporting

We agree to provide the City of Grand Rapids the following documentation after the Section 3 qualified project is substantially completed, and will freely submit this information at any time if requested by the City.

- City of Grand Rapids Section 3 Summary Report
- Contract and Subcontract Activity Report

Attachments

The following attachments are incorporated into and made a part of this Section 3 Plan:

- Attachment 1: Section 3 Clause to be included in all contracts
- Attachment 2: Estimated Workforce Needed for Section 3 Covered Project (Owner/Developer)
- Attachment 3: Estimated Workforce Needed for Section 3 Covered Project (Prime/General Contractor)
(Not necessary if the Owner/Developer is acting as the General Contractor)
- Attachment 3: Outreach to Solicit Bids from Section 3 Businesses

Submitted to the City of Grand Rapids

Date: _____

Owner/Developer:

(Print/type name of organization)

By: _____

(Print/type name and title)

Date: _____

General Contractor:

(Print/type name of organization)

By: _____

(Print/type name and title)

Attachment 1: Section 3 Clause

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 or representative of 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 applications for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and 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 by 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 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 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

**Attachment 2: Estimated Workforce Needed for Section 3 Covered Project
(Owner/Developer)**

Name of Company	
Project Name	
Period Covered	
Date Submitted	

Job Category	Total Estimated Positions Needed for Project	Number of Positions Occupied by Permanent Employees	Number of Positions to be Filled with Section 3 Residents

If no new job opportunities will be available during this project, state the reason below:

**Attachment 3: Estimated Workforce Needed for Section 3 Covered Project
(Prime/General Contractor)**

Name of Company	
Project Name	
Period Covered	
Date Submitted	

Job Category	Total Estimated Positions Needed for Project	Number of Positions Occupied by Permanent Employees	Number of Positions to be Filled with Section 3 Residents

If no new job opportunities will be available during this project, state the reason below:

Attachment 4: Outreach to Solicit Bids from Section 3 Businesses

General Contractor	
Project Name	
Period Covered	
Date Submitted	

Indicate the efforts that will be made to notify Section 3 business concerns of contracting opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible (using additional pages if necessary). All efforts must be documented. After the contracts are awarded, attach copies of all publications, notices, pictures of posted notices, and any other outreach material utilized, along with a list of all Section 3 business concerns that responded to your outreach efforts (bid tabulations, etc).