

SECTION 3 PLAN

(Subcontractors)

For _____

(Name and Address of Construction Project)

Submitted by:

Name of Subcontractor:

Address:

Primary Contact:

Phone number:

Email:

General Statement

_____, as the subcontractor, is 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 with the Owner and General Contractor 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 all subcontracts. We have been informed of the Section 3 requirements and goals set forth by the Owner and the General Contractor. Our submission of this document shall also be our agreement to follow the Section 3 Plan submitted to the City of Grand Rapids by _____ (Owner/Developer) and _____ (General Contractor).

Employment and Training:

To demonstrate compliance with Section 3 regulations, it is desirous 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.

Any goal established in this plan must be met, or proof provided as to why the goal was not met.

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 (Subcontractor)

We agree to provide the project owner with 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 of Grand Rapids or the project owner.

- City of Grand Rapids Section 3 Summary Report

We agree to immediately report any changes in this plan, including but not limited to, changes in the dollar amount of contracts awarded and staffing needs.

Submitted to the City of Grand Rapids

Date: _____

Subcontractor:

(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
(Subcontractor)**

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 job opportunities will be available during this project, state the reason below: