

HOUSING AND URBAN DEVELOPMENT ACT OF 1968

SECTION 3 PLAN

FOR

THE CITY OF MIAMI, FLORIDA  
DEPARTMENT OF COMMUNITY DEVELOPMENT  
SEPTEMBER 2009

Approved by the City of Miami Commission on September 10, 2009 (R-09-0406)

OFFICE OF ECONOMIC OPPORTUNITY  
FAIR HOUSING EQUAL OPPORTUNITY  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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## **General Policy Statement**

It is the policy of the City of Miami 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, or economic status. The City implements this policy through the awarding of contracts to contractors, vendors, and suppliers, to create employment and business opportunities for residents of the City and other qualified low- and very low-income persons residing in low-moderate income areas.

The policy shall result in a reasonable level of success in the recruitment, employment, and utilization of low-moderate income residents and other eligible persons and business by contractors working on contracts partially or wholly funded with the United States Department of Housing and Urban Development (HUD) monies. The City shall examine and consider a contractor's or vendor's potential for success by providing employment and business opportunities to low-moderate income residents prior to acting on any proposed contract award.

## **Section 3 Purpose**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701 u) requires the City of Miami to ensure that employment and other economic and business opportunities generated by the Department of Housing and Urban Development (HUD) financial assistance, to the greatest extent feasible, are 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.

## **Section 3 Contracting Policy and Procedure**

The City of Miami will incorporate Section 3 in all procurements generated for use with HUD funding and follow goal requirements set forth in 24 CFR Part 135 for awarding contracts to Section 3 Business Concerns.

All contractors/businesses seeking Section 3 preference must before submitting bids/proposals to the City be required to complete certifications, as appropriate, as acknowledgement of the Section 3 contracting and employment provisions required by this section. Such certifications, issued by the Miami-Dade Public Housing Agency ("MDPHA"), shall be adequately supported with appropriate documentation as referenced in the form.

### **Section 3 Plan**

The City of Miami has developed this Section 3 Action Plan to identify the applicability of provisions of 24 CFR Part 135 objectives, and actions that will be implemented to ensure compliance with the requirements of Section 3. Since the Plan only covers the City's Community Development Department Program, it is limited to CDBG, HOME, HOPWA, and ESG housing construction, housing rehabilitation, and public improvement construction projects.

### **Section 3 Employment & Training Goals**

It is the policy of the City of Miami 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 City 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 City of Miami 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. The Section 3 Contract Clause is attached to this plan as Exhibit "C".

### **Section 3 Program Participant Certification Procedure**

The MDPHA will certify Section 3 program participants who reside in the City of Miami and who are seeking preference in training and employment. A copy of the Section 3 Resident Preference Claim form can be obtained from the MDPHA.

## **Resident Hiring Requirements**

The City of Miami 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 City of Miami contracted labor efforts. A prime contractor may satisfy City of Miami 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.

## **Assisting Contractors to Achieve Section 3 Goal Hiring and Contracting Goals**

The City of Miami 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 Section 3 Coordinator, of the number of subcontracting and/or employment opportunities expected to be generated from the initial contract.

\_\_\_\_\_ Section 3 Coordinator will provide the contractor with a list of interested and qualified Section 3 residents for construction projects or will direct the contractor to the MDPHA personnel responsible for maintaining said list.

\_\_\_\_\_ Section 3 Coordinator will provide contractor with a list of Section 3 business concerns interested and qualified for construction projects or will direct the contractor to the MDPHA personnel responsible for maintaining said list.

\_\_\_\_\_ Section 3 Coordinator will inform contractor of known issues that might affect Section 3 residents from performing job related duties.

\_\_\_\_\_ Section 3 Coordinator will review the new hire clause with contractors and subcontractors to ensure that the requirement is understood.

### **Preference for Contracting with Section 3 Business Concerns**

The City of Miami 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 City of Miami, 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 City of Miami.
- **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 City of Miami 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 City of Miami.

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.

### **Evidence of Section 3 Certification**

Any business seeking Section 3 preference in the awarding of contracts or purchase agreements with the City of Miami must be able to provide a copy of the MDPHA Section 3 certification letter as evidence of eligibility for preference under the Section 3 Program. The certification and/or letter shall be submitted along with bid packages.

Each applicant, recipient, contractor, and subcontractor on a Section 3 covered project shall sign the attached Section 3 Assurance of Compliance (Exhibit "A").

## **Efforts to Award Contract Opportunities to Section 3 Business Concerns**

The City of Miami, the contractors and subcontractors may use any or all of the following methods to notify and contract with Section 3 business concerns when contracting opportunities exist.

- Advertise contracting opportunities via newspaper, mailings, posting notices that provide general information about the work to be contracted and where to obtain additional information.
- Provide written notice of contracting opportunities to all known Section 3 business concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to the bid invitation.
- Coordinate pre-bid meetings at which the Section 3 business concerns would be informed of upcoming contracting opportunities in advance.
- Conduct workshops on the City of Miami contracting procedures to include bonding, insurance, and other pertinent requirements, in a timely manner in an effort to allow Section 3 business concerns the opportunity to take advantage of any upcoming contracting opportunities.
- Contact the Miami-Dade Public Housing Agency, contractor associations and community organizations to inform them of contracting opportunities and to request their assistance in identifying Section 3 businesses.
- Establish relationships with the Small Business Administration (SBA), Minority and Women's Business Enterprise M/WBE association, Community Development Corporations, and other sources as necessary to assist SPHA with educating and mentoring residents with a desire to start their own businesses.
- Seek out referral sources in order to ensure job readiness for public housing residents through on-the-job-training (OJT) and mentoring to obtain necessary skills that will transfer into the external labor market.
- Develop resources or seek out training to assist residents interested in starting their own businesses to learn to prepare contracts, prepare taxes, obtain licenses, bonding, and insurance.

## **Economic Opportunity Plan For Utilization of Project Area Businesses**

Each applicant, recipient, contractor, and subcontractor preparing to undertake work pursuant to a Section 3 covered contract shall develop and implement an affirmative action plan, which shall:

- (a) Set forth the approximated number and dollar value of all contracts proposed to be awarded to all businesses within each category (type or profession) over the duration of the Section 3 covered project.
- (b) Analyze the information set forth in paragraph (a) and the availability of eligible business concerns within the project area doing business in professions or occupations identified as needed in paragraph (a) and set forth a goal or target number and estimated dollar amount of contracts to be awarded to the eligible businesses and entrepreneurs within each category over the duration of the Section 3 covered project.
- (c) Outline the anticipated program to be used to achieve the goals for each business and/or professional category identified. This program should include but not be limited to the following actions:
  - (1) Insertion in the bid documents, if any, of the affirmative action plan of the applicant, recipient, contractor, or subcontractor letting the contract; and
  - (2) Identification within the bid documents, if any, of the applicable Section 3 project area.
  - (3) Ensuring that the appropriate business concerns are notified of pending contractual opportunities either personally or through locally utilized media.

A sample plan is included and attached as Exhibit "B".

### **Contractor's Requirements in Employing Section 3 participants:**

Under the City of Miami 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**  
Section 8 residents as well as all other City of Miami residents residing 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.
  - d) Category 4 – Section 3 Resident**  
Section 8 residents as well as all other residents residing in the City of Miami who meet the income guidelines for Section 3 preference (refer to Section 3 Income Limits).
- After the award of contracts, the contractor must, prior to beginning work, inform Section 3 participants of the development at which the work will be performed, by providing the following:
  - names of the Section 3 business concerns to be utilized,
  - estimates of the number of employees to be utilized for contract,
  - projected number of available positions, to include job descriptions and wage rates (construction wages consistent with Davis Bacon),
  - efforts that will be utilized to seek Section 3 participants.
  - Contractors must notify the Section 3 Coordinator of their interests regarding employment of Section 3 participants prior to hiring.
  - Document the performance of Section 3 participants (positive and negative), regarding punctuality, attendance, etc., and provide this information to the City of Miami Section 3 Coordinator.

### **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 plan for utilization of project area business in the bid documents. 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 just 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 "C") and Assurance of Compliance (Exhibit "A") 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 and entrepreneurs within each category over the duration of the Section 3 covered project.

## **Section 3 Reporting**

### **Annual Reporting**

The City of Miami 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 City a new hires Section 3 compliance form on a monthly basis.

### **Internal Section 3 Complaint Procedure**

In an effort to resolve complaints generated due to non-compliance through an internal process, the City of Miami encourages submittal of such complaints to its Community Development Director as follows:

- Complaints of non-compliance should be filed in writing and must contain the name of the complainant and brief description of the alleged violation of 24 CFR 135.
- Complaints must be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.
- An investigation will be conducted if complaint is found to be valid. The City will conduct an informal, but thorough investigation affording all interested parties, if any, an opportunity to submit testimony and/or evidence pertinent to the complaint.

If complainants wish to have their concerns considered outside of the City of Miami a complaint may be filed with:

Assistant Secretary for Fair Housing and Equal Opportunity  
United States Department of Housing and Urban Development  
451 Seventh Street, SW  
Washington, DC 20410

The 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.

## **Definitions**

**Applicant** — Any entity which makes an application for Section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association.

**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.

**Employment Opportunities Generated by Section 3 Covered Assistance** — all employment opportunities generated by the expenditure of Section 3 covered assistance (housing construction, housing rehabilitation, and public improvements funded by CDBG, HOME, HOPWA, and ESG as spelled out in 24 CFR Part 135).

**Low-income person** — families (including single persons) whose incomes do not exceed 80 per centum 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 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families.

**Metropolitan Area** — a metropolitan statistical area (MSA), as established by the Office of Management and Budget (Miami-Dade County).

**New Hires** — full-time employees for permanent, temporary or seasonal employment opportunities

**Recipient** — any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State unit of local government, PHA, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate

beneficiary under the HUD program to which Section 3 applies and does not include contractors.

**Section 3**—Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u)

**Section 3 Business Concern** — a business concern,

- 1) That is owned by Section 3 resident: or
- 2) Whose permanent, full-time employees include persons, at least 51% percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
- 3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontractors to be awarded to business concerns that meet the qualifications set forth in paragraphs 1 or 2 above.

**Section 3 Covered Assistance**

Assistance provided under any HUD community development program that is expended for work arising in connection with employment, housing rehabilitation, construction, or other public construction project (which includes other buildings or improvements, regardless of ownership).

**Section 3 Covered Contracts** — a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 covered contracts do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation (FAR). Section 3 covered contracts also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 covered contract.

**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** — 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 do not exceed 50 per centum of the median family 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 50 per centum 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.

**EXHIBIT A**

**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

**APPLICANT:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**EXHIBIT B  
SAMPLE PLAN**

**CITY OF MIAMI  
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.

- Firm Name Page 2 of 3

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 CITY OF MIAMI project for which Contractor is the successful bidder.

Contractor will request the organizations, listed below, to provide lists of firms, organized by trade category, which can perform required project work (in addition to these organizations, Contractor may also contact other organizations that provide such listings):

1. Contractor's Resource Center
2. Small Business Administration
3. Minority Business Development Center

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 CITY OF MIAMI and other organizations about the type of work needed to complete each CITY OF MIAMI 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,

## **SAMPLE PLAN (Cont.)**

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 CITY OF MIAMI 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 fax the CITY OF MIAMI Solicitation Letter to all firms that these organizations identify, based on each category of work required for each project.
3. Contractor will provide CITY OF MIAMI with copies of its facsimile receipts to each of the organizations listed in its Plan and their responses.
4. Contractor will provide CITY OF MIAMI with copies of its facsimile receipts and responses received from every firm that is faxed for each CITY OF MIAMI project.
5. Contractor will provide CITY OF MIAMI with an outreach close-out letter for each project awarded that refers to an attached outreach summary report. If Contractor is unable to meet CITY OF MIAMI'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.
6. The outreach summary report, referred to in No. 5, above, will list all contacts made to each organization or association, the individual firms subsequently contacted, categorized by trade, and the bid amount or other type of responses received from each firm (similar to the sample outreach summary report attached to Contractor's Plan.)
7. If a firm is non-responsive, Contractor agrees to make a second attempt at getting them to respond, failing which, Contractor will move on to another company, all of which will be submitted to the CITY OF MIAMI, and referred to in the outreach close-out letter and summary report.

### **Question #4**

*(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.**

**SAMPLE PLAN (Cont.)**

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 C

### SECTION 3 CLAUSES

The City will ensure that the following clauses are included in all Section 3 covered contracts. The contractor and subcontractors (where applicable) will be bound by its provisions.

- 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 of 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 applicants 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 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 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.

**EXHIBIT D**

**CITY OF MIAMI  
SECTION 3**

**NEW HIRES SECTION 3 MONTHLY COMPLIANCE FORM**

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting. GC is also required to provide this form to any subcontractor firms they hire for this project.

Review the information below, check all that apply to:

Project Name \_\_\_\_\_

Project Address \_\_\_\_\_

Additionally, please review and comply with Steps 1 and 2 below:

1. You must sign and date this form for every pay period in connection with this project and hand deliver:

City of Miami  
Department of Community Development  
444 SW 2 Avenue, 2nd Floor  
Miami, Florida 33130 or  
Fax form to (305) 416-2090

2. When you hire a Section 3 resident in connection with this project, you must also complete and submit a MONTHLY report (attached) for every pay period worked, to the designated Community Development Project Manager.

Pay Period/MONTH: \_\_\_\_\_ from: \_\_\_\_\_ to: \_\_\_\_\_

\_\_\_ I have not hired any new employees during the pay period/MONTH specified.

\_\_\_ I have hired \_\_\_ Section 3 employees and/or \_\_\_ non-Section 3 employees during the pay period shown here.

\_\_\_ I have taken one or more of the following recruitment steps to hire a Section 3 resident with the highest training and employment priority ranking: (check all that apply)

\_\_\_ I have advertised to fill vacancy(ies) at the site(s), where work is taking place, in connection with this project. Below, I have checked the steps I have taken to find

Section 3 low-income residents, from the targeted groups and neighborhoods, to fill any vacancies.

\_\_\_ Placed signs or posters in prominent places at each of the above listed developments.

\_\_\_ Taken photographs of the above item to document that the above step was carried out

\_\_\_ Distributed employment flyers to each of the residents at these developments  
Posted employment flyers to each of the residents at these developments

\_\_\_ Contacted City Environmental Specialist or City of Miami employment referrals and HUT) Youthbuild Program referrals (if applicable)

\_\_\_ Contacted U.S. HUD State Officer at (305) 536-4421 to identify any HUD Youthbuild programs currently operating in Miami-Dade County; then contacted these programs for Youthbuild referrals

\_\_\_ Kept a log of all applicants and indicated the reasons why Section 3 residents who applied were not hired

\_\_\_ Retained copies of any employment applications completed by public housing Section 8 certificate or voucher holders or other Section 3 residents

\_\_\_ Sent a notice about Section 3 training and employment requirements and opportunities to labor organizations or to worker representatives with whom our firm has a collective bargaining or other agreement

\_\_\_ Sent proof of all checked items to City of Miami Section 3 representative above via fax at (305) 416-2090 and deliver to:

City of Miami  
Department of Community Development  
Attn: Section 3  
444 SW 2nd Avenue, 2nd Floor  
Miami, Florida 33130

\_\_\_\_\_  
Authorized Name:  
Title:

\_\_\_\_\_  
Firm Name:

Date \_\_\_\_\_