



SECTION 3 PLAN

CITY OF MIAMI GARDENS

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

<u>Table of Contents</u>	<u>Page</u>
General Policy Statement	3
Section 3 Contracting Policy & Procedure	3
Section 3 Plan	4
Section 3 Employment and Training Goals	4
Section 3 Program Participant Certification Procedure	4
Resident Hiring Requirements	4
Assisting Contractors To Achieve Section 3 Goals	5
Preference for Contracting with Section 3 Business Concerns	5
Evidence of Section 3 Certification	6
Efforts to Award Contract Opportunities	6
Section 3 Opportunities Plan	6
Contractor’s Requirements in Employing Section 3 Participants	7
Procurement Preference	7
Section 3 Reporting	8
Internal Complaint Procedure	8
Section 3 Income Limits	10
Definitions	10

<u>Exhibits/Forms</u>	
Exhibit A: Section 3 Clause	13
Exhibit B: Resident Employment Opportunity Data Eligibility For Preference	14
Exhibit C: Certification For Business Concerns Seeking Section 3 Preference	16
Exhibit D: Sample Section 3 Opportunities Plan	17
Exhibit E: Section 3 Certification	20
Exhibit F: New Hires Section 3 Monthly Compliance Reporting Form	21

General Policy Statement

It is the mission of the City of Miami Gardens to provide a variety of safe, sanitary, accessible, decent, and affordable housing units to the citizens of the City of Miami Gardens while enhancing and promoting resident self sufficiency.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income individuals, especially recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income individuals. (Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u).

It is the policy of the City of Miami Gardens 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 and to take affirmative action to ensure that both job applicants and existing employees are given fair and equal treatment.

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

The policy shall result in a reasonable level of success in the recruitment, employment, and utilization of low- and 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 of providing employment and business opportunities to low- and moderate-income residents prior to acting on any proposed contract award.

Please direct any questions you may have regarding this information to:

Mr. Daniel Rosemond,
Assistant City Manager, Community Development Director
1515 NW 167 Street, Bldg. 5, Ste. 200
Miami Gardens, FL 33169

Section 3 Contracting Policy and Procedure

The City of Miami Gardens 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 acknowledging the Section 3 contracting and employment provisions required by this Plan. Such certifications shall be adequately supported with appropriate documentation as referenced in the *Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capability* Form (Exhibit C).

Any bidder/proposer's failure to agree to a Section 3 Opportunities Plan may render the bid non-responsive and may cause the contractor to be disqualified from further consideration for the contract.

Section 3 Plan

The City of Miami Gardens, in conjunction with its Department of Community Development, has developed this Section 3 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 Department of Community Development, it is limited to programs funded in whole or in part by HUD funds; including but not limited to CDBG, HOME, HOPWA, ESG, NSP and programs funded by the American Recovery and Reinvestment Act of 2009 (ARRA); housing construction, housing rehabilitation, and public improvements construction projects.

Section 3 Employment & Training Goals

It is the policy of the City of Miami Gardens to utilize and to require covered contractors and subcontractors to utilize Section 3 residents and other Section 3 eligible persons and businesses in contracts partially or wholly funded with monies from HUD. The City has established employment and training goals that contractors and subcontractors should meet in order to comply with Section 3 requirements. In accordance with 24 CFR Part 135.30, the numerical goals are:

- For Section 3 covered community development assistance, thirty percent (30%) of the aggregate number of new hires in any fiscal year will be Section 3 residents.
- For Section 3 covered housing assistance, ten percent (10%) of the aggregate number of new hires for each year over the duration of the Section 3 project will be Section 3 residents.

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 Gardens are required to certify that they comply with the requirements of Section 3 (See Exhibit E – *Section 3 Certification*).

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 contracts and is included in this plan as Exhibit A.

Section 3 Program Participant Certification Procedure

The City of Miami Gardens will certify Section 3 program participants who (1) reside in the City of Miami Gardens, and (2) who complete the *Resident Employment Opportunity Data Eligibility for Preference* Form (Exhibit B) and provide adequate proof of Section 3 eligibility, as required.

Resident Hiring Requirements

The City of Miami Gardens has adopted a 30% goal for resident hiring that is to be used on all construction contracts, service contracts and professional service contracts that contain a labor component. (Reference 24 CFR Part 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 City of Miami Gardens contracted labor efforts. A prime contractor may satisfy the City's 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 funds.

Assisting Contractors to Achieve Section 3 Hiring and Contracting Goals

The City of Miami Gardens 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 Department of Community Development, of the number of subcontracting and/or employment opportunities expected to be generated from the initial contract. The Department of Community Development will:

- provide the contractor with a list of interested and qualified Section 3 residents (when available) for construction projects.
- provide contractor with a list of Section 3 business concerns (when available) interested and qualified for construction projects.
- inform contractor of known issues that might affect Section 3 residents from performing job related duties.
- 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 Gardens has adopted a goal of at least ten percent (10) of the total dollar amount of Section 3 covered contracts to be awarded to Section 3 Business Concerns, and at least three percent (3%) of the total dollar amount of non-construction contracts shall be awarded to Section 3 Business Concerns. (Reference 24 CFR Part 135.30, numerical goals for meeting the greatest extent feasible requirement).

The City, in compliance with Section 3 regulations, will require contractors and subcontractors (including professional service contractors) 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 is 51% or more owned by a resident of the project boundary area or neighborhood where the work is performed.
- **Category 2:** Business concern that is a certified Section 3 business, and is 51% or more owned by a resident of the City of Miami Gardens.
- **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 Gardens 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 Gardens.

Contractors 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 Gardens shall complete the certification form (Exhibit C – *Certification for Business Concern Seeking Section 3 Preference*), which can be obtained from the City’s Department of Community Development. The business seeking Section 3 preference must be able to provide adequate documentation as evidence of eligibility for Section 3 preference.

Certifications for Section 3 preference for business concerns must be obtained from the City prior to the submission of bids for approval. If the Department of Community Development previously approved the business concern to be Section 3 certified within the last three years, then the certification must still be submitted along with the bid. A Section 3 business concern that is certified as such by another governmental entity (including other cities, counties or public housing agencies) is also considered to be a Section 3 business concern by the City of Miami Gardens.

Efforts to Award Contract Opportunities to Section 3 Business Concerns

The City of Miami Gardens will use 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 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.

Section 3 Opportunities Plan

Each applicant, recipient, contractor, and/or subcontractor preparing to undertake work pursuant to a Section 3 covered contract shall develop and implement a Section 3 Opportunities Plan. The following must be submitted with the bid/proposal:

- a) Section 3 Opportunity Plan (Sample Plan is included as Exhibit D)

b) Section 3 Certification (Exhibit E)

Failure to submit either of these two (2) items as part of the bidders/proposers Section 3 Opportunities Plan will deem such bid/proposal as non-responsive.

Contractor's Requirements in Employing Section 3 participants:

Under the City of Miami Gardens Section 3 Plan, 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 public housing developments managed by the Miami-Dade County Public Housing Agency within the City of Miami Gardens.
 - b) **Category 2 – Section 3 Resident**
Participants in HUD Youthbuild programs being carried out in the City of Miami Gardens. For more information, contact YWCA of Greater Miami, Inc. at 305-377-9922.
 - c) **Category 3 – Section 3 Resident**
Recipients of federal government housing assistance programs, such as Section 8, Section 202, etc, as well as all other City of Miami Gardens residents residing in the project boundary area or neighborhood of the project who meet the income guidelines for Section 3 preference (refer to Section 3 Income Limits).
 - d) **Category 4 – Section 3 Resident**
Recipients of federal government housing assistance programs, such as Section 8, Section 202, etc, as well as all other residents residing in the City of Miami Gardens 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 the Community Development Department of the following:
 - their interests regarding employment of Section 3 participants prior to hiring.
 - any problems experienced due to the employment of Section 3 participants.

Procurement Preference

The City of Miami Gardens will use the following procurement procedures in order to provide a preference to recipients or contractors that respond to City of Miami Gardens solicitations, as authorized in 24 CFR 85.36(d).

1) Small Purchase Procedures. For Section 3 covered contracts aggregating no more than \$25,000, the methods set forth in this paragraph or the more formal procedures set forth in paragraphs (2) and (3) of this section will be utilized.

i) Solicitation.

- A) Quotations may be solicited by telephone, letter or other informal procedure provided that the manner of solicitation provides for participation by a reasonable number of competitive sources. At the time of solicitation, the parties must be informed of:

--the Section 3 covered contract to be awarded with sufficient specificity;

- the time within which quotations must be submitted; and
- the information that must be submitted with each quotation.

B) If the method described in paragraph (i)(A) is utilized, there must be an attempt to obtain quotations from a minimum of three qualified sources in order to promote competition. Fewer than three quotations are acceptable when the contracting party has attempted, but has been unable, to obtain a sufficient number of competitive quotations. In unusual circumstances, the contracting party may accept the sole quotation received in response to a solicitation provided the price is reasonable. In all cases, the contracting party shall document the circumstances when it has been unable to obtain at least three quotations.

ii) Award.

A) Where the Section 3 covered contract is to be awarded based upon the lowest price, the contract shall be awarded to the qualified Section 3 business concern with the lowest responsive quotation, if it is reasonable and no more than 10% higher than the quotation of the lowest responsive quotation from any qualified source. If no responsive quotation by a qualified Section 3 business concern is within 10% of the lowest responsive quotation from any qualified source, the award shall be made to the source with the lowest quotation.

B) Where the Section 3 covered contract is to be awarded based on factors other than price, a request for quotations shall be issued by developing the particulars of the solicitation, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation shall identify all factors to be considered, including price or cost. The rating system shall provide for a range of 15 to 25% of the total number of available rating points to be set aside for the provision of preference for Section 3 business concerns. The purchase order shall be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

2) Procurement by sealed bids (Invitations To Bids). Preference in the award of Section 3 covered contracts that are awarded under a sealed bid (ITB) process may be provided as follows:

i) Bids shall be solicited from all businesses (Section 3 business concerns, and non-Section 3 business concerns). An award shall be made to the qualified Section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid--

A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

TOTAL DOLLARS	X FACTOR = LESSER OF:
When the lowest responsive bid is less than \$100,000	10% of that bid or \$9,000
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000	9% of that bid, or \$16,000
At least \$200,000, but less than \$300,000	8% of that bid, or \$21,000
At least \$300,000, but less than \$400,000	7% of that bid, or \$24,000
At least \$400,000, but less than \$500,000	6% of that bid, or \$25,000
At least \$500,000, but less than \$1 million	5% of that bid, or \$40,000
At least \$1 million, but less than \$2 million	4% of that bid, or \$60,000
At least \$2 million, but less than \$4 million	3% of that bid, or \$80,000

At least \$4 million, but less than \$7 million	2% of that bid, or \$105,000
\$7 million or more	1 ½% of the lowest responsive bid, with no dollar limit.

ii) If no responsive bid by a Section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

3) Procurement under the competitive proposals method of procurement (Request for Proposals (RFP)).

i) For contracts and subcontracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(ii) One of the evaluation factors shall address both the preference for Section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement (Section 3 Opportunities Plan), as disclosed in proposals submitted by all business concerns (Section 3 and non-Section 3 business concerns). This factor shall provide for a range of 15 to 25% of the total number of available points to be set aside for the evaluation of these two components.

(iii) The component of this evaluation factor designed to address the preference for Section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iv) With respect to the second component (the acceptability of the Section 3 Opportunities Plan), the RFP shall require the disclosure of the contractor's Section 3 Opportunities Plan to comply with the Section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable Section 3 Opportunities Plan. The contract award shall be made to the responsible firm (either Section 3 or non-Section 3 business concern) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

Section 3 Reporting

- **Annual Reporting:** The City of Miami Gardens 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 Reporting Form* (Exhibit F) 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 Gardens encourages submittal of such complaints to its Department of 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.
- The City will provide written documentation detailing the findings of the investigation, and the Community Development Director will review the findings for accuracy and completeness before it is released to complainants. The findings will be made available no later than thirty (30) days after the filing of complaint.

If complainants wish to have their concerns considered outside of the City of Miami Gardens, 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.

Section 3 Income Limits

All residents of public housing developments of the Miami-Dade Public Housing Agency qualify as Section 3 residents. Additionally, individuals residing in the City of Miami Gardens, who meet the income limits set forth below, can also qualify for Section 3 status.

Number in Household	Very Low Income	Low Income
1 individual	\$14,800	\$24,650
2 individuals	\$16,900	\$28,150
3 individuals	\$19,000	\$31,650
4 individuals	\$21,100	\$35,150
5 individuals	\$22,800	\$38,000
6 individuals	\$24,500	\$40,800
7 individuals	\$26,200	\$43,600
8 individuals	\$27,900	\$46,400

*This chart is effective as of 5/14/2010.

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 public assistance (i.e., operating assistance, development assistance and modernization assistance, (as described in Section 135.3 (a) (1)). With respect to Section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with Section 3 covered projects (as described in Section 135.3 (a) (2)), including management and administrative jobs. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.

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 1992 (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, 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.

New Hires – full-time employees hired 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 51 percent or more owned by Section 3 resident: or
- 2) Whose permanent, full-time employees include persons, at least 30 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 –

- 1) public housing development assistance provided pursuant to Section 5 of the 1937 Act;
- 2) public housing operating assistance provided pursuant to Section 9 of the 1937 Act;
- 3) public housing modernization assistance provided pursuant to Section 14 of the 1937 Act;
- 4) assistance provided under any HUD housing or community development program that is expended for work arising in connection with housing rehabilitation, construction, or other public construction project (which includes other buildings or improvements, regardless of ownership).

Section 3 Clause – the contract provisions set forth in Section 135.38.

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 – 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 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 –

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 or 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 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 B

**THE CITY OF MIAMI GARDENS
RESIDENT EMPLOYMENT OPPORTUNITY DATA
ELIGIBILITY FOR PREFERENCE**

Eligibility for Preference

A Section 3 resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3 resident, as defined in Section 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program, as well as document verifying income.)

Residents of public housing and low- and very low-income persons who receive public assistance, live in the area in which a HUD-assisted project or other federally-assisted housing program is located are eligible for employment under Section 3.

Certification for Resident Seeking Section 3 Preference in Training and Employment		
I, _____, am a legal resident of the _____		
(name of resident)		(name of public housing
_____ and meet the income eligibility guidelines for a		
Development or City)		
low- or very-low-income person as published on the reverse.		
My permanent address is: _____		

I have attached the following documentation as evidence of my status:		
<input type="checkbox"/> Copy of lease	<input type="checkbox"/> Copy of receipt of public assistance	
<input type="checkbox"/> Copy of Evidence of participation	<input type="checkbox"/> Other evidence in a public assistance program (list)	

_____	_____	_____
Signature	Print Name	Date

EXHIBIT B (con't.)

**THE CITY OF MIAMI GARDENS
RESIDENT EMPLOYMENT OPPORTUNITY DATA
ELIGIBILITY FOR PREFERENCE**

SECTION 3 INCOME LIMITS		
<p>All residents of public housing developments of the <u>Miami-Dade Public Housing Agency</u> qualify as Section 3 residents. Additionally, individuals residing in the <u>City of Miami Gardens</u>, who meet the income limits set forth below, can also qualify for Section 3 status.</p> <p>A picture identification card and proof of current residency is required.</p>		
Eligibility Guideline		
Number in Household	Very Low Income	Low Income
1 individual	\$14,800	\$24,650
2 individuals	\$16,900	\$28,150
3 individuals	\$19,000	\$31,650
4 individuals	\$21,100	\$35,150
5 individuals	\$22,800	\$38,000
6 individuals	\$24,500	\$40,800
7 individuals	\$26,200	\$43,600
8 individuals	\$27,900	\$46,400

*This chart is effective as of 5/14/2010.

**EXHIBIT C - CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3 PREFERENCE
IN CONTRACTING AND DEMONSTRATION OF CAPABILITY**

Name of Business: _____

Address of Business: _____

Type of Business: Corporation Partnership
 Sole Proprietorship Joint Venture

Attached is the following documentation as evidence of status:

For Business claiming status as a Section 3 resident-owned enterprise:

- Copy of resident lease
- Copy of receipt of public assistance
- Copy of evidence of participation in a public assistance program
- Other evidence

For business entity as applicable:

- Copy of Articles of Incorporation
- Certificate of Good Standing
- Assumed Business Name Certificate
- Partnership Agreement
- List of owners/stockholders and % ownership of each
- Corporation Annual Report
- Latest Board minutes appointing officers
- Organization chart with names and titles
- Additional documentation and brief function statement

For business claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business:

- List of subcontracted Section 3 business(es) and subcontract amount

For business claiming Section 3 status, claiming at least 30 percent of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

- List of all current full-time employees
- List of employees claiming Section 3 status
- PHA/IHA Residential lease less than 3 years from day of employment
- Other evidence of Section 3 status less than 3 years from date of employment

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- Current financial statement
- Statement of ability to comply with public policy
- List of owned equipment
- List of all contracts for the past two years

(Corporate Seal)

Authorizing Signature

Print Name & Title

Attested by: _____

____/____/____
Date

EXHIBIT D – SAMPLE SECTION 3 OPPORTUNITIES PLAN

The Section 3 Opportunities 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/proposal).

These questions have been developed to assist you in developing your Section 3 Opportunities Plan.

- 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- and very 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 ON YOUR COMPANY'S LETTERHEAD, AND INCLUDE THE FOLLOWING INFORMATION.

- Company Name
- Your Name and Phone Number
- Bid Number and Name

The following Sample Section 3 Opportunities Plan and responses are provided to serve as an example for your firms Plan. Please re-type your own firm's Plan on your firm's letterhead.

QUESTION #1:

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. He (or she) will obtain all pertinent information to become thoroughly familiar and ensure contract compliance with the HUD Section 3 Regulation. John Doe is qualified to administer contractor's Section 3 Opportunities Plan (Plan).

QUESTION #2:

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- and very low-income persons, in the event any vacancies occur throughout the duration of the project:

- 1) Schedule a time and place for qualified residents to complete job applications.

EXHIBIT D (con't.)

- 2) Develop a list of “pre-qualified” Section 3 public housing and other low- and very low-income residents who could fill job vacancies that may later become available.
- 3) Send notices about Section 3 training and employment obligations and opportunities required for this project to labor organizations.
- 4) Establish a training program to provide public housing residents and other low- and very low-income residents with the opportunity to learn basic skills and job requirements.
- 5) 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)*

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 Gardens 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:

- 1) Contractor’s Resource Center
- 2) Small Business Administration
- 3) Minority Business Development Center
- 4) Miami-Dade Public Housing Authority

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 Gardens and other organizations about the type of work needed to complete each City of Miami Gardens project,
- 2) Advise firms of contract’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 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 Gardens 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.

EXHIBIT D (con't.)

- 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)*

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.

EXHIBIT E –

SECTION 3 CERTIFICATION

TRAINING, EMPLOYMENT AND CONTRACTING OPPORTUNITIES FOR BUSINESSES AND THE LOW- AND VERY LOW-INCOME AREA RESIDENTS.

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 (recipient/contractor) 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 a Section 3 Opportunity 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 (subcontracts) for work in connection with the project. The (recipient/contractor) certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these requirements.

C. The (recipient/contractor) shall provide a status report identifying its progress in meeting the Section 3 goals as established in its Section 3 Opportunities Plan on a monthly basis throughout the (contract/agreement) period. The monthly report shall be submitted no later than 10 days after the end of each calendar month of the contract (i.e., January 10 for December).

D. 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 (recipient/contractor), its successors and assigns. Failure to fulfill these requirements shall subject the (recipient/contractor), 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.

Signature of Authorized Individual

Title

Date

Print Name

Place Notary Stamp Here

Sworn to and subscribed before me

This _____ day of _____, 20____

Notary Public
State of _____

EXHIBIT F - NEW HIRES SECTION 3 MONTHLY COMPLIANCE REPORTING FORM

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

Review the information below, check all that apply to:

Project Name: _____

Project Address: _____

Additionally, please review and comply with the following:

- 1) When you hire* a Section 3 resident in connection with this project, you must complete and submit a MONTHLY report, and hand deliver to:

City of Miami Gardens
Department of Community Development
1515 NW 167 Street, Suite 160
Miami Gardens, FL 33169

Of fax form to (305) 622-8046.

*This form must be filled out and submitted even if no Section 3 resident(s) are hired.

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 month 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.
 - Place signs or posters in prominent places at each of the above listed developments/ project areas.
 - 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/ project areas
 - Posted employment flyers to each of the residents at these developments/ project areas

EXHIBIT F (con't.)

- Contacted US 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 agreement or other agreement.
- Sent proof of all checked items to the City of Miami Gardens Department of Community Development at the above address.

Signature of Authorized Representative

Print Name

Title

Date