

Request for Letters of Interest:

**Onsite Homebuilders
for the
Sheppard Square
HOPE VI Revitalization**

PROPOSAL NO. 1512

For

Louisville Metro Housing Authority
HOPE VI Development Department
420 South Eighth Street
Louisville, KY 40203

LISA OSANKA
Executive Director
and
Contracting Officer

REQUEST FOR LETTERS OF INTEREST

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For
SHEPPARD SQUARE
HOPE VI REVITALIZATION**

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**Louisville Metro Housing Authority
420 South 8th Street
Louisville, Kentucky 40203
Lisa Osanka, Executive Director**

**Issue Date:
December 06, 2019**

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I. REQUEST FOR LETTERS OF INTEREST

**REQUEST FOR LETTERS OF INTEREST:
ON-SITE HOMEBUILDERS
FOR
SHEPPARD SQUARE HOPE VI REVITALIZATION
PROPOSAL NO. 1512**

The Louisville Metro Housing Authority (LMHA) is requesting letters of interest from parties interested in providing services in connection with the Sheppard Square onsite homeownership phase.

The goal of this process is for LMHA to develop a list of qualified homebuilders available to construct up to 23 homeownership units for qualified home purchasers as part of the homeownership component of the Sheppard Square HOPE VI Revitalization.

Interested parties should contact Brent Reece at (502) 569-6314 to receive a proposal packet which contains all pertinent information and forms needed to submit a responsive proposal. Proposal packets may be obtained at Louisville Metro Housing Authority Offices at 420 South Eighth Street, Louisville, Kentucky 40203. Proposals are also available on the LMHA website at *LMHA.org* under bid opportunities. Amendments (if any) to this process will also be posted at this website.

Submissions shall be accepted at the Louisville Metro Housing Authority Purchasing Department at 3223 South Seventh Street Road, Louisville, Kentucky 40216. The submission process shall remain open until cancelled by LMHA.

The Louisville Metro Housing Authority reserves the right to accept or reject any or all proposals and/or waive any informality in the procurement process. LMHA is an equal opportunity employer and is committed to affirmative action, in the involvement of minority business to the maximum extent possible. LMHA encourages MBE firms or individuals to respond. Non-minority firms or individuals are requested to seek participation of minority businesses as subcontractors or in partnership arrangements to the maximum extent possible.

II. PROJECT SPECIFIC INFORMATION

The LMHA is inviting Letters of Interest from experienced home builders to participate in the homeownership component of the Sheppard Square HOPE VI Development located in the City of Louisville, Kentucky. Pursuant to the Master Plan, 23 units will be constructed.

A. RESPONSE DUE DATE

The response period will remain open until LMHA announces closure. Facsimile and e-mail responses will not be accepted.

B. RECEIPT OF LETTERS OF INTEREST

An original and two (2) copies of the LOI shall be submitted in sealed envelopes and marked “**Sheppard Square On-Site Home Builder Letter of Interest**”. All material must be submitted in an 8 ½” x 11” format. All submissions must be received at the following address:

Louisville Metro Housing Authority
Purchasing Department
3223 South Seventh Street Road
Louisville, Kentucky 40216
Attn: Brent Reece, Planning Coordinator - Finance Department

C. PROGRAM SUMMARY

The intent of this Request for Letters of Interest is to identify qualified homebuilders to assist in the build-out of the 23-unit onsite homeownership phase of the Sheppard Square HOPE VI Revitalization Plan. LMHA welcomes homebuilders that meet the eligibility requirements to submit under this process. Please note that qualified homebuilders are not guaranteed a specific contract. LMHA intends to make this list available to eligible purchasers. Please see “**Section III - Sheppard Square Homeownership Plan**” for a summary of the program.

D. MASTER PLAN DESCRIPTION

Sheppard Square is just south of the Louisville Medical District. The general site is bounded by Finzer Street to the North, Clay Street on the East, Lampton Street on the South and Preston Street to the West. The community is ideally located immediately next to the Louisville Medical Center and part of a larger revitalized community.

LMHA’s vision for the Sheppard Square Revitalization (see “**Section IV – attachments for the Site Plan and Conceptual Elevations**”) is to create a vibrant, attractive, mixed-use, mixed-income community, where people of all economic strata, races and cultures will live, learn, work, play and raise their families near employment, retail and cultural opportunities. The Sheppard Square Revitalization Plan is a carefully developed mixed-income, mixed-finance program designed to address the needs and goals of residents, and the local community. Towards this end, it contains a mix of on-site and off-site public housing replacement units, low-income housing tax credit units, market rate units and homeownership units.

These unit designs provide a variety of styles and unit configurations which are reflective of the character and density of the adjacent neighborhoods. A mix of housing includes: the proposed single-family homes

(detached); duplexes (semi-detached); triplexes; town homes; and several twenty-two-unit apartment buildings are within the development. Furthermore, the former Presbyterian Community Center at 760 S. Hancock Street was renovated to include 32 units, which houses a medical office, and common use rooms.

The site has been redeveloped as follows:

- 287 rental units (225 public housing, 3 low-income housing tax credit, and 59 market rate) in a mix of single-family homes (detached), duplexes (semi-detached), triplexes, town homes, and apartment buildings which includes the renovation and new addition to 760 S. Hancock St.;
- 23 single-family (detached) homeownership units to be built on lots located on Hancock Street between Jacob Street and Lampton Street;
- The site rental office is located within the beautiful historical St. Peter Claver Chapel.

LMHA has been serving as the Developer for the Sheppard Square Site Redevelopment, including the homeownership component. Sherman-Carter-Bamhart and Urban Design Associates developed the overall Master Plan. As such, LMHA has successfully completed construction on all 287 mixed-income rental units. The last constructed building was placed into service in March 2017.

For a more detailed summary of the homeownership program, please refer to Section III Sheppard Square HOPE VI Homeownership Plan.

E. SCOPE OF SERVICES / HOMEBUILDER REQUIREMENTS

LMHA will act as developer, coordinating directly with potential buyers to: 1) assist buyers in connecting with permanent lenders, 2) assist buyers in connecting with homebuilders, and 3) oversee construction of individual single-family homes. LMHA will coordinate with potential affordable and market rate buyers on a first-come, first-served basis.

As noted previously in this document, the intent of this process is to identify qualified homebuilders who are interested in assisting in the construction of 23 homeownership units at the Sheppard Square HOPE VI Revitalization. This request for letter of interest is intended to identify qualified homebuilders(s) for construction only.

Qualified homebuilders must understand the following requirements:

- Designs must be pre-approved by LMHA prior to permitting and construction
- Design homes consistent with the following:
 - Conceptual elevations from the Sheppard Square Pattern Book (please see conceptual elevations attached in Section IV)
 - Design must meet or exceed mandatory requirements of Enterprise Green Community (EGC) for design and construction of all new housing - acquire EGC Certification;
- Designs must include a schedule for completion
- Designs must include a detailed budget, Homebuilders may not take fees in excess of the HUD Safe Harbor Standards of 6% profit, 2% overhead, and 6% general conditions. LMHA will review the budget at the same time it reviews the proposed plans.
- Homebuilders will be responsible for obtaining building permits.

- The property is zoned “UN” for Urban Neighborhood.
- Preference towards Homebuilders with a Homebuilder’s Association of Louisville membership.
- Homebuilders must commit to using Minority and Female Business Enterprises as well as Section 3 Business Enterprises.
- Homebuilders will contract with the LMHA for construction.

F. LETTER OF INTEREST REQUIREMENTS

Each respondent is required to prepare a submission including information on the following items:

1. **Letter of Interest:** Submittals shall include a Letters of Interest indicating the homebuilder’s desire to be included on the list of qualified homebuilders. Please include the following in the Letters of Interest,
 - a. Statement of Qualifications. Please include a description of the homebuilder qualifications. Please provide information on all residential construction projects in which the respondent has participated in the past 3-4 years.
 - b. References: Provide the name, mailing address and telephone number of two relevant references.
 - c. MBE/FBE/DBE and Section 3 business participation. Please include an acknowledgement that clearly indicates the homebuilder’s commitment to complying with LMHA’s MBE/FBE/DBE and Section 3 business participation goals. LMHA’s MBE/WBE/DBE/ and Section 3 Information is included as an Additional Attachment to this Request for Letters of Interest.
 - d. Statement regarding Previous Default: Include a statement disclosing and describing any instance of non-compliance or default in any public housing transaction, including mixed-finance or HOPE VI transaction, by the proposer, its affiliates or assigns.
2. **Additional Respondent Information:** We request that letters of interest also include the following additional information:
 - a. Financial Statement: Provide current financial statements of the proposer prepared by a Certified Public Accountant.
 - b. Acknowledgment of Addenda: Please provide acknowledgement of any addenda.

G. ADDITIONAL INSTRUCTIONS AND NOTICE TO RESPONDENTS

Inquiries

The intent of this Request for Letters of Interest is to provide prospective qualified homebuilders with sufficient information to enable them to provide a Letter of Interest. Every effort has been made to outline requirements, and to provide information in a format that is clear and concise. Nevertheless, questions may arise, or additional information may be needed. Questions and inquiries regarding this Request for Letters of Interest must be submitted in writing to:

Louisville Metro Housing Authority
420 South 8th Street
Louisville, Kentucky 40203
Attn: Brent Reece, Planning Coordinator - Finance
reece@lmha1.org

Answers will be provided as written addenda to this Request for Letters of Interest, issued by fax and or e-mail to all firms who have requested the Request for Letters of Interest. Addenda will also be posted on the LMHA website.

Acknowledgement of Addenda

The respondent shall acknowledge, in its response to this Request for Letters of Interest, receipt of any amendment(s). The respondent's failure to acknowledge an amendment may result in rejection of the offer.

Complete and Accurate Submission

A respondent's failure to provide accurate information in response to this Request for Letters of Interest may disqualify the respondent from further participation in the selection process. After submission the respondent may not change any provision of its proposal.

Retention

All submissions are the property of LMHA and shall be retained by LMHA. Responses will not be returned.

Cancellation / Waiver

LMHA reserves the right to cancel this Request for Letters of Interest, or to reject, in whole or in part, any and all submissions received in response to this Request for Letters of Interest, upon its determination that such cancellation or rejection is in the best interest of LMHA. LMHA further reserves the right to waive any minor informalities in any submissions received, if it is in the public interest to do so.

Key Personnel

The key personnel specified by the successful respondent will be considered essential to the work to be performed by the successful respondent. Prior to diverting any of the key personnel for any reason(s), the contractor shall notify LMHA in writing, at least thirty (30) calendar days in advance, and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the contract. The firm shall not change key personnel or hours to be devoted, before or after contract award, without written permission from LMHA.

Part of Contract

The contents of the documents submitted by the successful respondent(s) may become part of any contract award at the sole discretion of LMHA.

No Compensation for Response

Respondent will not be compensated for work or costs related to preparation and submission of this proposal.

H. INITIAL REVIEW

All responses will be initially reviewed to determine compliance with the response format requirements specified within this Request for Letters of Interest. Responses that do not comply with these requirements

may be rejected without further review.

I. SELECTION PROCESS

The purpose of this Request for Letters of Interest is to solicit quality submissions so that LMHA may develop a list of qualified homebuilders that meet LMHA's needs and requirements. LMHA urges all interested respondents to carefully review the requirements of this Request for Letters of Interest. All submissions will be evaluated by an Evaluation Committee appointed by the Contracting Officer. Written submissions containing the requested information will serve as the initial basis for selection of finalists. LMHA will develop the list of qualified homebuilders based on review of the Letters of Interest.

J. ADDENDA

LMHA will endeavor to provide copies of addenda to all potential recipients of this Request for Letters of Interest, but it will be the responsibility of each respondent to make inquiry as to the existence and content of addenda, as the same shall become part of this Request for Letters of Interest, and all respondents will be bound thereby, whether or not the addenda are actually received by the respondent.

K. LMHA'S OPTIONS

LMHA reserves the right to cancel this Request for Letters of Interest, or to reject, in whole or in part any and all submissions received in response to this Request for Letters of Interest, upon its determination that such cancellation or rejection is in the best interest of LMHA. LMHA further reserves the right to waive any minor informalities, or the failure of any respondent to comply therewith, if it is in the public interest to do so. LMHA will pay no compensation to any respondent for any costs related to preparation or submittal of the qualifications.

LMHA will reject the qualifications of any respondent who is suspended and/or debarred by HUD from providing services to public housing authorities and reserves the right to reject the proposal of any respondent who has previously failed to perform any contract properly for LMHA. The determination of the criteria and process whereby submissions are evaluated, and the decision as to who shall be deemed qualified shall be at the sole and absolute discretion of LMHA.

III. SHEPPARD SQUARE HOMEOWNERSHIP PLAN SUMMARY

Unit Overview

The onsite homeownership phase includes twenty-three (23) homeownership units. Three of these units may be developed within the requirements of the Americans with Disabilities Act. Anticipated purchasers are anticipated to include both affordable and market rate purchasers.

LMHA as Developer

LMHA will act as developer, coordinating directly with potential buyers to: 1) assist buyers in connecting with permanent lenders, 2) assist buyers in connecting with homebuilders, and 3) oversee construction of individual single-family homes. LMHA will coordinate with potential affordable and market rate buyers on a first-come, first-served basis.

First Mortgage Lenders

LMHA will require that all potential homebuyers first pre-qualify and obtain a permanent loan commitment from a lender. Only after receipt of a letter of commitment will LMHA review or approve plans for a homeownership unit.

LMHA will provide prospective homebuyers with a list of local lenders that have expressed an interest in providing permanent financing for the homeownership program. Homebuyers may, also, use another bank as long as LMHA approves the proposed institution.

Homebuilder / Contractors

LMHA will issue a Request for Letters of Interest for homebuilders/contractors to construct the twenty-three (23) homes. LMHA anticipates that out of that procurement process, LMHA will develop a list of pre-qualified homebuilder/contractors. Homebuyers may use another homebuilder as long as LMHA approved the proposed homebuilder.

Homebuilders will be required to provide a budget for the proposed plans. Homebuilders may not take fees in excess of the HUD Safe Harbor Standards of 6% profit, 2% overhead, and 6% general conditions. LMHA will review the budget at the same time it reviews the proposed plans.

LMHA Required Approval of Plans

LMHA will require that plans for each home are pre-approved prior to seeking permits. LMHA will require that the homebuilder/contractor complete construction in accordance with the LMHA-approved plans.

Construction Financing

LMHA will also provide construction financing for those homebuyers with letters of commitment. LMHA will use non-federal funds to capitalize a revolving construction loan fund. Upon completion of each home, LMHA construction financing will be repaid by first mortgage loan proceeds, buyer equity, and any subordinate mortgage proceeds, at which time title is transferred to the homebuyer. LMHA will not take a developer fee.

LMHA Lot Sales

LMHA will sell Sheppard Square homeownership lots to affordable homebuyers for \$1, on a first-come, first-served basis. LMHA will sell the Sheppard Square homeownership lots to unrestricted-income buyers at the appraised Fair Market Value.

Design + Plan Review

All homeownership units will be constructed in compliance with the Enterprise Green Community and LEED for Neighborhood Development guidelines. Also, LMHA will require each home to be designed within the guidance provided by the Sheppard Square Pattern Book. LMHA will establish a Design Committee to approve each homeownership unit design and review the budget prior to executing a contract with the builder. The proposed development cost range for the homes is anticipated to be \$135,000-\$190,850. The range of total development cost will depend on the size and materials chosen.

The LMHA Design Committee will consist of:

- Bernard Pincus
- Tasha Kilgore
- Norma Ward
- Sherman Carter Barnhart Architects representative

Available LMHA Subordinate Financing

LMHA will commit a total of \$230,000 of non-Federal funds to fund ten-year forgivable soft mortgages to affordable homebuyers within the Sheppard Square Homeownership Program. The amount of each soft mortgage will be determined on a case-by-case basis. Eligibility for subordinate loan forgiveness includes continuous occupancy for 5 years. Specific terms for forgiveness between years 6 and 10 will be provided to the buyer by LMHA. Purchasers may apply to the LMHA Homeownership Committee for a soft-second mortgage. The LMHA Homeownership Committee will evaluate applications on a case-by-case basis.

The LMHA Homeownership Committee will consist of the following LMHA staff:

- Bernard Pincus
- Norma Ward
- Jeff Ralph
- Michelle Johnson
- Dan Farrell

Additional LMHA approvals for soft mortgages will be as follows: amounts of \$20,000 or less will be approved by the Executive Director: Lisa Osanka; soft mortgage amounts greater than \$20,000 will be approved by the LMHA Board of Commissioners.

Accessible Homeownership Units

LMHA will explore the possibility of constructing up to three (3) homes within the requirements of the Americans with Disability Act. Construction financing for the American with Disabilities Act homes will be provided by LMHA.

IV. ADDITIONAL ATTACHMENTS

A. HOMEOWNERSHIP DEVELOPMENT SITE PLAN

B. CONCEPTUAL ELEVATIONS

**C. MBE, FBE, DBE, AND SECTION 3 PROGRAM CONTRACTUAL
REQUIREMENTS**






A. HOMEOWNERSHIP DEVELOPMENT SITE PLAN

SHEPPARD HOPE VI

JUNE 13, 2012

LEGEND

PHASES

- B 
- ACD 
- EF 
- CC 
- HO 



56X65

CERTIFICATE OF OWNERSHIP AND DEDICATION

THIS IS TO CERTIFY THAT THE UNDERIGNED REPRESENTS THE OWNERS OF THE LAND SHOWN ON THIS PLAT AND HEREBY DEDICATES THE SAME TO THE PLAT OF REVISED SHEPPARD SQUARE AND DOES HEREBY DEDICATE TO PUBLIC USE N/A SHOWN THEREON.

OWNERS SIGNATURE: [Signature] DATE: 7/5/2017

ZONING CERTIFICATE

WE HEREBY CERTIFY ALL OF THE LOTS OF THIS MAJOR SUBDIVISION AND ANY EXISTING BUILDINGS AND IMPROVEMENTS THEREON AND/OR ANY BUILDINGS AND IMPROVEMENTS INCORPORATED IN A BUILDING PERMIT (ETC) TO BE CONSIDERED THEREON ARE IN COMPLIANCE WITH ALL THE PROVISIONS OF THE FORM DISTRICT REGULATIONS...

OWNERS SIGNATURE: [Signature] DATE: 7/5/2017

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OF KENTUCKY, COUNTY OF JEFFERSON, Ashley Jones Richardson, a NOTARY PUBLIC IN AND FOR THE COUNTY OF JEFFERSON DO HEREBY CERTIFY THAT THE FOREGOING PLAT OF REVISED SHEPPARD SQUARE AS OF THIS DAY PRESENTED TO ME BY Jim Barry...

WITNESS MY HAND AND SEAL THIS 5 DAY OF JULY, 2017 MY COMMISSION EXPIRES 15 DAY OF JULY 2018

CERTIFICATE OF APPROVAL

APPROVED THIS 11 DAY OF JULY, 2017 INVALID IF NOT RECORDED BY THIS DATE

BY: [Signature] LOUISVILLE METRO PLANNING COMMISSION

SPECIAL REQUIREMENT(S): CASE NO.

LAND SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE SURVEY DEPICTED BY THIS PLAT WAS PERFORMED UNDER MY SUPERVISION IN ACCORDANCE WITH THE SURVEY STANDARDS ESTABLISHED BY KAR 19.00 FOR AN URBAN SURVEY...

BRIAN L. BEVELLY, P.E. DATE: 7-5-17



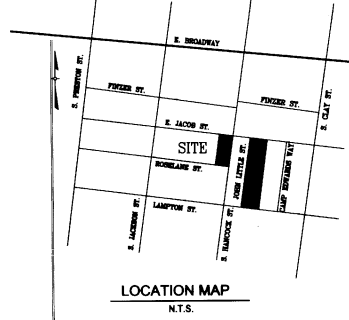
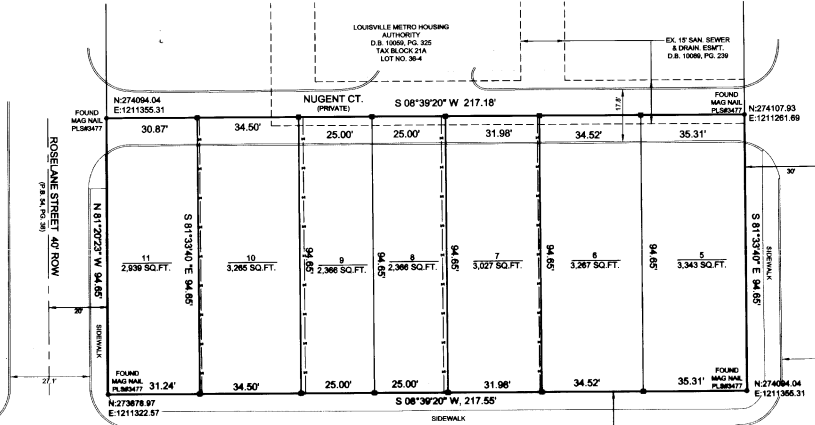
GENERAL NOTES:

- THESE LOTS ARE ZONED UN AND ARE IN THE TRADITIONAL NEIGHBORHOOD FORM DISTRICT. SUBJECT TO CONDITIONS OF APPROVAL IN CASE NO. 18894 IN THE OFFICE OF THE LOUISVILLE METRO PLANNING COMMISSION. THIS PLAT AMENDS LOTS 8 THRU 10 OF RECORD PLAT OF SHEPPARD SQUARE E.C. & G. RECORDED IN PLAT BOOK 54, PAGE 38.

METROPOLITAN SEWER DISTRICT REVIEW

This plot has been reviewed for storm drainage and sanitary sewer related considerations and Metropolitan Sewer District has no objection to this plat. However, this review does not constitute any form of construction approval for work on this site.

Sanitary Drainage Review Date: 7-12-17



MINOR SUBDIVISION PLAT OF REVISED SHEPPARD SQUARE TO SHIFT PROPERTY LINES ON LOTS 8 THRU 10 AND LOTS 14 THRU 20 LOUISVILLE METRO HOUSING AUTHORITY 420 S. 8TH ST. LOUISVILLE, KY 40203

- OWNER: 744 S. HANCOCK ST. TAX BLOCK 21A, LOT 38-6 746 S. HANCOCK ST. TAX BLOCK 21A, LOT 38-7 748 S. HANCOCK ST. TAX BLOCK 21A, LOT 38-8 750 S. HANCOCK ST. TAX BLOCK 21A, LOT 38-9 752 S. HANCOCK ST. D.B. 10056, PG. 325

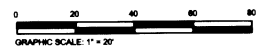
- OWNER: 744 S. HANCOCK ST. TAX BLOCK 21A, LOT 38-10 743 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-16 745 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-17 747 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-18 749 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-19 751 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-20 753 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-21 755 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-22 757 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-23 759 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-24 761 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-25 763 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-26 765 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-27 767 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-28 769 JOHN LITTLE ST. TAX BLOCK 21B, LOT 1-29 D.B. 10162, PG. 333

56X65

56X65



CIVIL DESIGN, INC. 3404 STONY SPRING CIRCLE LOUISVILLE, KENTUCKY, 40220 PH: 671-0080 FAX: 671-0311



B. CONCEPTUAL ELEVATIONS

Sheppard Square Revitalization



2BR DETACHED HOUSE



2BR DETACHED HOUSE



2BR DETACHED HOUSE



3BR DETACHED HOUSE



3BR DETACHED HOUSE



3BR DETACHED HOUSE



3BR DETACHED HOUSE



3BR DETACHED HOUSE



3BR DETACHED HOUSE

Sheppard Square Revitalization



4BR DETACHED HOUSE



4BR DETACHED HOUSE

**C. MBE, FBE, DBE, AND SECTION 3 PROGRAM CONTRACTUAL
REQUIREMENTS**

SECTION M
(v.LOI)

**MBE, WBE & DBE, and SECTION 3 PROGRAMS
CONTRACTUAL REQUIREMENTS, FORMS AND
DOCUMENTS**

LMHA Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Disabled Business Enterprise (DBE) and Section 3 Programs

All bidders must comply with the requirements of LMHA's MBE, WBE and DBE, and Section 3 Programs to be considered responsive.

THE PARTICIPATION PERCENTAGE GOALS FOR THIS PROJECT ARE:

MBE - TWENTY-FIVE PERCENT (25%)

WBE - TEN PERCENT (10%)

DBE - ONE HALF OF ONE PERCENT (.5%)

SECTION 3 REQUIRED NUMERICAL GOALS:

- **AWARD AT LEAST 10% OF THE TOTAL DOLLAR AMOUNT OF THE CONTRACT TO SECTION 3 BUSINESS CONCERNS**
- **HIRING SECTION 3 RESIDENTS IN A NUMBER EQUAL TO AT LEAST 30% OF THE AGGREGATE NUMBER OF NEW HIRES**

I. LMHA Minority Business Enterprise (MBE), Women Business Enterprise (WBE), and Disabled Business Enterprise (DBE) Programs

A. *Generally*

This contract includes provisions regarding **MINORITY BUSINESS ENTERPRISE (MBE), WOMEN BUSINESS ENTERPRISE (WBE), and DISABLED BUSINESS ENTERPRISE (DBE)** solicitation and employment for firms wishing to participate in LMHA federally funded procurement activities that have potential for MBE, WBE, or DBE involvement in accordance with Executive Order 11625.

FAILURE TO MEET THE MBE, WBE and DBE GOALS MAY HAVE A SERIOUS IMPACT ON THE EVALUATION OF A BIDDER'S RESPONSIVENESS!

B. Definitions

The following definitions are used throughout the bid documents and Contract Documents:

1. **MBE** - Means Minority Business Enterprise. That is, a business which is fifty-one percent (51%), or more, owned by one or more persons who are members of a racial minority ("Racial Minority" is defined below), and in which such persons share economic interests and have proportionate control over management, interest in capital, and interest in earnings (minority/non-minority joint ventures are addressed elsewhere in these documents).
2. **WBE** - Means Women Business Enterprise. That is, a business which is at least fifty-one percent (51%) owned by one or more females, or in the case of a publicly owned business, at least 51% of the stock is owned by one or more females; is managed by, and the daily business operations are controlled by one or more females; and is a domestic corporation with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm or other business.
3. **DBE** - Means Disabled Business Enterprise. That is, a business which is fifty-one percent (51%), or more, owned by one or more disabled individuals, or in the case of a publicly owned business, at least 51% of the stock is owned by one or more disabled individuals; is managed by, and the daily business operations are controlled by one or more disabled individual; and is a domestic corporation with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm or other business.
4. **MBE Certification** -- All MBE, WBE, and DBE firms must be certified through either the **Tri-State Minority Supplier Development Council**, the **Louisville and Jefferson County Human Relations Commission**, or must provide evidence satisfactory to LMHA of minority ownership.
5. **Racial Minority** - Also called "Minority," means any United States Citizen who is:
 - a) **African American** (racial classification 2) - All persons of origins in any black African racial group not of Hispanic origin; or,
 - b) **Hispanic American** (racial classification 3) - All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish descended culture or origin, regardless of race; or,

- c) **Asian American** (racial classification 4) - All persons having origins in any of the Pre-Magellanic peoples of the Far East, Southeast Asia, the Indian Sub-Continent, or the Pacific Islands; or,
 - d) **American Indian or Native Alaskan** (racial classification 5) - All persons having origins in any of the Pre-Colombian peoples of North America, including Alaska, who maintain identifiable tribal affiliations, through membership and participation or community-identification; or,
 - e) **Hasidic Jew** (racial classification 6) - All persons having origins in the Hasidic Jewish culture, who maintain identifiable cultural affiliations, through membership and participation or community-identification.
6. **Disabled Person** - Means any person who has a physical or mental impairment which substantially limits one or more of such person's major life activities, or has a record of such an impairment, or is regarded as having such an impairment.
7. **Woman** - Means a person born with the physical and genetic characteristics commonly associated with the female gender as currently defined by the professional medical community.

Women and disabled persons are not "Minority" persons, for the purposes of this project, unless they also meet one of the above-indicated definitions of a "Racial Minority."

C. *MBE, WBE, and DBE Certification*

All MBE, WBE, and DBE firms must be certified through the **Tri-State Minority Supplier Development Council**, 600 W. Main Street, Louisville, Kentucky 40202, (502) 625-0159, or the **Louisville and Jefferson County Human Relations Commission**, 410 West Chestnut Street, Louisville, Kentucky 40202, (502)574-3631. Certifications from other agencies will be reviewed on a case by case basis. A copy of the certification must be submitted upon request.

Questions concerning MBE participation may be directed to the Louisville Metro Housing Authority's MBE/Section 3 Coordinator, Phil Reidinger, at (502) 569-4922 or Reidinger@LMHA1.org.

1. Certification through one or more of the listed agencies indicates that a firm meets or exceeds the certifying agency's requirements for MBE, WBE, or DBE certification, however, it should not be construed as implying LMHA approval of such MBE, WBE, or DBE. MBE, WBE, or DBE certification is not indicative of any qualification to perform the work for which the Bidder has proposed the MBE firm. It is the Bidder's inherent responsibility to ensure, **prior to submitting a bid**, that **ALL** proposed subcontractors are qualified.

D. MBE, WBE, and DBE Participation in LMHA Contracts

This policy applies to LMHA projects for construction, demolition, renovation, abatement, and similar activities. HUD mandates that the primary procurement responsibility of PHAs is to secure the best goods or services at the best price. However, MBE, WBE, and DBE participation is an integral and highly important part of LMHA's contracting activities. A minimum MBE, WBE, and DBE participation percentage goal has been established for this project and set forth above. The potential for achieving the MBE, WBE, and DBE participation percentage goal may depend upon the relative availability of MBE, WBE, and DBE firms in the categories of work anticipated. The Contract will be awarded to the responsible and responsive bidder who submits the lowest price, provided award serves LMHA's best interests.

1. **IN ORDER TO BE CONSIDERED RESPONSIVE**, a bidder must either meet the goals or provide evidence conclusively demonstrating that it made a strenuous, albeit unsuccessful, good faith effort to meet the goals. **Failure to aggressively respond to these requirements** is grounds for rejection of bid as non-responsive.

2. Law prohibits public housing agencies, including LMHA, from mandating MBE, WBE, or DBE participation. Bidders on LMHA projects are not obligated to use MBE, WBE, or DBE goods or services simply to meet the MBE, WBE, or DBE participation goal if the goods or services are available from non-MBE, non-WBE, or non-DBE sources at lower cost or using the MBE, WBE, or DBE would increase the cost of performance. Likewise, this policy shall not be construed as endorsing the representation of MBE, WBE, or DBE participation, when in fact a substantial portion of the participation proposed to be performed by an MBE, WBE, or DBE will be performed by the Contractor or by a third tier, non-MBE, non-WBE, or non-DBE subcontractor. For example:

If, on the *List of Proposed Subcontractors*, the bidder indicates that an MBE, WBE, or DBE will provide case work and trim carpentry services; and, the MBE, WBE, or DBE intends to, or commonly does, subcontract a substantial portion of its work to third tier non-MBE, non-WBE, or non-DBE subcontractors; such conditions would conflict with the intent of LMHA's MBE, WBE, and DBE Policy and the bidder's MBE, WBE, or DBE participation percentage would be reduced commensurately and its responsiveness reevaluated accordingly. The foregoing statements should not be construed as diminishing LMHA's commitment to MBE, WBE, or DBE participation. LMHA is committed to MBE, WBE, and DBE participation and expects contractors to employ MBE, WBE, and DBE firms to the fullest extent feasible.

E. Calculating MBE Participation

1. General -- An MBE's, WBE's, and DBE's participation in the Contract may count toward the goal to the extent that the MBE, WBE, or DBE performs Contract work with its own forces or through an MBE, WBE, or DBE subcontractor that uses its own forces. Work that an MBE, WBE, or DBE subcontracts to a non-MBE, non-WBE, or non-DBE subcontractor does not count toward the goal. Any contractor, subcontractor, or joint venture, that claims MBE, WBE, or DBE participation may be required, at any time, to produce evidence that the portion of the total contract price claimed was actually awarded to, performed, or supplied by MBE, WBE, or DBE firms.
2. MBE, WBE, and DBE Qualifications -- For their participation to count toward the goal, MBE, WBE, and DBE firms must be currently certified as MBE, WBE, or DBE firms at the time of the bid opening. MBE, WBE, and DBE firms, to participate in the Contract, must meet all the responsiveness and responsibility requirements imposed on other contractors and subcontractors under the Contract.
3. Commercial Utility -- The participation of an MBE, WBE, or DBE may count toward the goal only if the MBE, WBE, or DBE performs a commercially useful function in executing the Contract work.
 - a) An MBE, WBE, or DBE firm's function may be commercially useful if it includes direct, day-to-day responsibility for significant work of the Contract and the MBE, WBE, or DBE actually fulfills its responsibilities by performing, managing, and supervising that work.
 - b) Responsibility for negotiating prices, determining quality and quantities, ordering, installing, and paying for materials and supplies involved in the MBE's, WBE's, or DBE's portion of the Contract work may, also, indicate commercial utility.
 - c) An MBE's, WBE's, or DBE's function is not commercially useful if the firm's actual role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to present the appearance of MBE, WBE, or DBE participation. In determining whether a firm is an extra participant, LMHA may examine similar transactions, contracts, or projects, particularly those in which MBE, WBE, or DBE firms do not participate.
 - d) An MBE, WBE, or DBE that does not perform, or bear and exercise responsibility for, at least 12 percent of the total cost of its Contract work with its own forces, or that subcontracts a greater portion of its Contract work than would be expected under normal industry practice for the type of work involved, is preemptively not performing a commercially useful function. An MBE, WBE, or DBE

may challenge the presumption that it is not performing a commercially useful function. Because no privity can exist between LMHA and a subcontractor, MBE, WBE, and DBE subcontractors must assert such challenges through the prime contractor.

- e) LMHA may evaluate industry practices, the amount and type of work awarded to the MBE, WBE, or DBE, and any other factors LMHA deems appropriate, to determine whether a function is commercially useful.

- 4. MBE, WBE, or DBE Prime Contractors -- MBE, WBE, or DBE firms are under the same obligations as any other prime contractor with respect to LMHA's MBE, WBE, or DBE goals. To receive MBE, WBE, or DBE participation credit, an MBE, WBE, or DBE prime contractor must perform at least 12% of the Contract work with its own forces. MBE, WBE, or DBE prime contractors may be credited with MBE, WBE, or DBE participation to the extent that they perform the Contract work with their own forces and employ MBE, WBE, or DBE subcontractors pursuant to the provisions of this policy. For example:

If an MBE, WBE, or DBE prime contractor will perform \$12,000-worth of work with its own forces, and the total contract price is \$100,000, MBE, WBE, or DBE participation would be 12%. Thus, if the MBE, WBE, or DBE participation goal was 20%, the MBE, WBE, or DBE prime contractor would be short of the goal and required to either obtain another 8% participation or demonstrate fruitless good faith efforts to obtain another 8% and request a waiver of that portion of the goal.

- 5. Non-MBE, WBE, or DBE Prime Contractors - may be credited with MBE, WBE, or DBE participation based on the dollar value of that portion of the total contract work subcontracted to MBE, WBE, or DBE firms and performed by such MBE, WBE, or DBE firms using their own forces or through third tier MBE, WBE, or DBE subcontractors that use their own forces. For example:

If a non-MBE, WBE, or DBE prime contractor subcontracts \$15,000-worth of the total contract work to one or more MBE, WBE, or DBE subcontractors, and the total contract price is \$75,000, MBE, WBE, or DBE participation would be 20% (\$15,000/\$75,000).

- 6. MBE, WBE, or DBE Subcontractors -- To receive MBE, WBE, or DBE participation credit, an MBE, WBE, or DBE subcontractor must perform at least 12% of its portion of the Contract work with its own forces. An MBE, WBE, or DBE subcontractor's participation in the Contract counts toward the goal to the extent that the MBE, WBE, or DBE performs Contract work with its own forces and through third-tier MBE, WBE, or DBE subcontractors that use their own forces. Work that an MBE, WBE, or DBE subcontractor subcontracts to a non-MBE, WBE, or DBE subcontractor does not count toward the goal. For example:

If an MBE, WBE, or DBE firm is subcontracted to fabricate and supply equipment for this project, at least 12% of the fabrication must be performed by the MBE, WBE, or DBE firms' own forces, in its own facility.

- a) A prime contractor shall receive no credit for the participation of an MBE, WBE, or DBE subcontractor unless the prime contractor, before the start of work, delivers to LMHA a fully executed original counterpart of the agreement between the prime contractor and the MBE, WBE, or DBE subcontractor.
- b) Such agreement must bear the prime contractor's and MBE, WBE, or DBE subcontractor's notarized signatures, must state the price the MBE, WBE, or DBE will receive for its work, and must include a reasonably detailed description of the work the subcontractor will perform.

7. Joint Ventures - Joint ventures between an MBE, WBE, or DBE and a non-MBE, WBE, or DBE, bidding and performing as a joint venture prime contractor or sub-contractor, may count toward the goal to the extent of the dollar value of the Contract work performed with the MBE, WBE, or DBE party's forces. For example:

If the joint venture will perform \$35,000-worth of the total contract work with its joint forces, and the MBE, WBE, or DBE party's forces will perform \$15,000-worth of that work, and the total contract price is \$100,000, MBE, WBE, or DBE participation would be 15% ($\$15,000/\$100,000$).

If, in the preceding example, the joint venture was the prime contractor and employed MBE, WBE, or DBE, WBE, or DBE subcontractors to perform \$10,000-worth of the remaining total contract work, MBE, WBE, or DBE participation would be 25% ($(\$15,000 + \$10,000)/\$100,000$).

- a) A joint venture shall receive no MBE, WBE, or DBE participation credit unless, before the start of work, it delivers to LMHA a fully executed original counterpart of the joint venture agreement.
- b) Such agreement must bear the notarized signatures of all parties to the agreement, must state the sum each party will receive for its work, and must include a reasonably detailed description of the work each party will perform.
- c) To be counted at all, the MBE, WBE, or DBE party's portion of the dollar value of the work must be distinct and clearly defined.

8. Materials and Supplies - Any contractor or subcontractor may, under certain conditions, claim MBE, WBE, or DBE participation credit for MBE, WBE, or DBE suppliers who provide materials for the Contract work. MBE, WBE, or DBE supplier participation is based, generally, on the dollar value of the goods purchased from the MBE, WBE, or DBE supplier. For example:

Subject to the conditions following this example, if a non-minority prime contractor purchases \$20,000-worth of supplies from an MBE, WBE, or DBE supplier, and the total contract price is \$100,000, MBE, WBE, or DBE participation would be 20% (\$20,000/\$100,000). Materials and supplies purchased from MBE, WBE, or DBE firms for use in the Contract may count toward the goal as follows:

- a) If the materials or supplies are purchased from an MBE, WBE, or DBE manufacturer, 100 percent of the cost of the materials or supplies may count toward the goal.
 - (1) For the purposes of these provisions, a “manufacturer” is a business entity that operates or maintains a factory or production facility that routinely produces, on its premises and in the normal course of its business, materials, supplies, articles or equipment required under the Contract.
- b) Materials and supplies purchased from MBE, WBE, or DBE firms who are regular retail or wholesale dealers will only be counted toward the goal at 60 percent of their cost.
 - (1) For the purposes of these provisions, a “regular retail or wholesale dealer” is a business entity that:
 - (a) owns, operates, or maintains a store, warehouse, or other establishment in which materials, supplies, articles or equipment required under the Contract are bought, kept in stock, and regularly sold or leased to the public in the normal course of business; and
 - (b) is an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the items required under the Contract.
 - (2) A person may be a regular retail or wholesale dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business as described above, if the person owns and operates distribution equipment for distribution of such products.
 - (3) Long-term lease agreements by which a regular retail or wholesale dealer supplements its own distribution equipment may be acceptable as to the goal, but ad hoc or contract-by-contract agreements for that purpose are not.
 - (4) Packagers, brokers, manufacturers’ representatives, and other persons who arrange or expedite transactions are not regular

retail or wholesale dealers within the meaning of these provisions. Such persons' or entities' participation shall not count toward the MBE, WBE, or DBE or DBE goal.

9. Fees or commissions -- charged by an MBE, WBE, or DBE that is neither a manufacturer nor a regular retail or wholesale dealer, for assistance in procuring materials or supplies, or for feed or transportation charges for delivering materials or supplies required under the Contract, may count toward the goal, provided LMHA finds such fees or commissions are reasonable and not excessive in comparison to fees customarily allowed for similar services. No portion of the cost of the materials and supplies themselves shall count toward the goal under these circumstances, unless they qualify under one of the other provisions of this subsection.
10. Professional Services -- Fees or commissions charged by an MBE, WBE, or DBE for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of the Contract, may count toward the goal, if LMHA finds them reasonable and not excessive in comparison to fees customarily allowed for similar services.
11. Any contractor, subcontractor, or joint venture that claims MBE, WBE, or DBE participation may, at any time, be required to produce evidence that the portion of the total contract price claimed was actually awarded to, and performed or supplied, by MBE, WBE, or DBE firms.

F. Required Forms

Bidders must submit the following two (2) forms, among others, as a part of the bid proposal, regarding proposed employment of MBE, WBE, or DBE firms on this project:

1. *Schedule of Minority Business Participation*
 - a) The Bidder shall list, on this form, all MBE, WBE, or DBE firms proposed to perform as prime contractors or subcontractors for this project; the type of work to be performed; the anticipated start and completion dates for the work to be performed; and the agreed upon price for the work.
 - b) The Bidder, by completing this form, represents that, if awarded this contract, it will enter into formal contracts (provided each MBE, WBE, or DBE is accepted, in writing, by LMHA), in the amounts indicated, with the MBE, WBE, or DBE firms listed on this form.
2. *Schedule of MBE, WBE, or DBE Unavailability*
 - a) In the event the Bidder is unable to achieve the MBE, WBE, or DBE participation percentage goal, the Bidder shall list on this form all MBE,

WBE, or DBE firms contacted and/or considered, but not proposed to participate in this project, and the reasons they are not proposed to participate.

FAILURE TO SATISFY THE MBE, WBE, or DBE PARTICIPATION PERCENTAGE GOALS MAY HAVE A SIGNIFICANT ADVERSE IMPACT ON A BIDDER'S RESPONSIVENESS!

G. Evidence of Responsiveness

As evidence that the Bidder has made a significant good faith effort to involve MBE, WBE, or DBE firms in this project, the Contractor, upon request, shall make available to the Louisville Metro Housing Authority such documentation as is described below.

Bidders that fail to meet MBE, WBE, or DBE goals and fail to demonstrate sufficient good faith efforts to merit a waiver, may be required to forfeit their bid guaranty as agreed liquidated damages.

H. Waiver of MBE, WBE, or DBE Goals

Minority Business Enterprise participation is a priority objective of this agency and LMHA's MBE, WBE, and DBE policy applies to all construction and abatement contracts. If, because of extreme circumstances, a bidder cannot meet the MBE, WBE, or DBE participation percentage goal, LMHA may grant a full or partial waiver of the goal. LMHA will, however, grant a waiver of the MBE, WBE, or DBE participation percentage goal only upon receipt of persuasive evidence that a bidder has made diligent, albeit ultimately unsuccessful, efforts to meet the MBE, WBE, or DBE participation percentage goal (as further explained below).

1. **Bidders must make every reasonable effort to meet the MBE, WBE, or DBE goals.**

Limited or merely formalistic efforts are not considered "good faith" efforts. The bidder must demonstrate that, given all relevant circumstances, it actively and aggressively endeavored to meet the MBE, WBE, or DBE goals.

2. **In the event a bidder finds that it cannot fully satisfy the MBE, WBE, or DBE goals of this solicitation, the bidder must submit a written request for a full or partial waiver of the goals and receive approval prior to submission of bid. All request for waivers for MBE, WBE, and DBE must be submitted with the "2nd Day Submission" documents after the bid opening.**

The "MBE, WBE and DBE Waiver Request Information Sheet" can be found on Page 16 of this Section.

IF THE BIDDER WILL NOT USE ANY SUBCONTRACTORS OR HAS MET THE FULL MBE, WBE, AND DBE GOALS, IT IS NOT NECESSARY TO REQUEST A WAIVER.

- a) The written request for a waiver must explain how the bidder views and evaluates the subcontractable components of a project and why the bidder was unable to attain the MBE, WBE, or DBE participation percentage goal. The request must also include detailed narrative statements describing the bidder's "good faith" efforts to secure MBE, WBE, and DBE participation. If bidder has requested such waiver from LMHA within the last five (5) years, submit copies of all waiver requests.
3. Examples of "good faith efforts" to attain the MBE, WBE, or DBE goal include, but are not necessarily limited to:
- a) **Attending scheduled meetings**, regarding the project.
 - b) **Providing written notice**, (preferably certified mail) to a reasonable number of MBE, WBE, and DBE firms requesting bids. *A reasonable number means at least as many MBE, WBE, or DBE firms as non-MBE, WBE, or DBE firms, in each trade category, must be contacted.* Copies of certified letters sent to MBE, WBE, or DBE firms requesting bids, and original, signed, receipts, or copies of telegrams soliciting bids from MBE, WBE, or DBE firms, indicating the date of delivery, would be considered evidence of such efforts.
 - c) **Allowing sufficient time** (five working days, or more, as time permits) **for MBE, WBE, and DBE firms to respond** to a written notice. *Sufficient time means initiating contact with MBE, WBE, or DBE firms at least as far in advance of the bid date as contact is initiated with non-MBE, WBE, or DBE firms.* Original responses from MBE, WBE, or DBE firms indicating the reasons why they do not wish to participate in this project and bids received from MBE, WBE, or DBE firms on those firm's letterhead or standard bid forms would be considered evidence of such efforts.
 - d) **Following up** written notification by **telephone or other means**. Date-stamped copies of telephone conversation records and faxed letters would be considered evidence of such efforts.
 - e) **Contacting MBE, WBE, and DBE assistance agencies** and organizations (see Section J of Official Bid Package for lists) and the LMHA's MBE/Section 3 Coordinator at (502) 569-4922, for assistance in locating qualified MBE, WBE, or DBE firms. Date-stamped copies of telephone conversation records and faxed or mailed letters would be considered evidence of such efforts.
 - f) **Selecting portions of the work to be performed by MBE, WBE, and DBE firms** in order to increase the likelihood of meeting the MBE, WBE, or DBE goals. Documentation demonstrating that extra effort was made to solicit MBE, WBE, or DBE bids for categories of work in which MBE, WBE, or DBE firms are particularly well

represented in the geographical area of the project would be considered evidence of such efforts.

- g) **Providing MBE, WBE, and DBE firms with adequate information about the project** when requesting quotations (i.e., identifying potential subtrades involved in the project and identifying a potential dollar range for those subtrades). Copies of certified letters sent to MBE, WBE, and DBE firms, and original, signed, receipts, date-stamped copies of telephone records and faxed or mailed follow-up letters, or copies of telegrams sent to MBE, WBE, and DBE firms, would be considered evidence of such efforts.
 - h) **Advertising in general circulation media** (e.g., Courier-Journal), **and media aimed at minorities** (e.g., Louisville Defender), at least 20 days before bids are due. Or, if 20 days are not available, publication for a shorter, but maximum available, period is acceptable. Copies of legal advertisements published as an attempt to obtain MBE, WBE, and DBE involvement would be considered evidence of such efforts.
 - i) **Making efforts to assist MBE, WBE, or DBE firms** in obtaining bonding, credit, or insurance. Date-stamped copies of telephone conversation records and faxed or mailed letters to MBE, WBE, or DBE firms and/or bondsmen, creditors, or insurers would be considered evidence of such efforts.
 - j) **Making efforts to meet and negotiate** with potential MBE, WBE, and DBE Bidders prior to the bid opening. Copies of certified letters sent to MBE, WBE, and DBE firms and original, signed, receipts, date-stamped copies of telephone records and faxed or mailed follow-up letters, or copies of telegrams sent to MBE, WBE, and DBE firms, would be considered evidence of such efforts.
 - k) **Efforts made by the Bidder to expand its search** for MBE, WBE, and DBE firms, beyond the usual geographic boundaries. Documentation demonstrating that such efforts were made would be considered evidence of such efforts.
4. LMHA reserves the right to examine the Bidder's bid preparation materials, including all requests for bids the Bidder issued to potential subcontractors, the Bidder's bid calculation work sheets, and the Bidder's telephone records, notes, and any other information LMHA believes may be helpful in verifying the Bidder's assertions.
5. LMHA's "MBE, WBE and DBE Waiver Request" review protocol includes the following steps:
- a) The contractor's "MBE, WBE and DBE Waiver Request" and supporting documentation will be reviewed by the MBE, WBE, DBE and Section 3 Coordinator and the appropriate LMHA Directors

- overseeing the solicitation. The Waiver Request Reviewers Team will collectively make a determination for the appropriate waiver action.
- b) The MBE, WBE, DBE and Section 3 Coordinator will send the written recommendation from the Waiver Request Reviewers Team to the Deputy Executive Director. If necessary, the Deputy Executive Director will schedule a meeting with the Waiver Request Reviewers Team for additional dialogue regarding the suggested waiver action.
 - c) The Deputy Executive Director will forward its and the Waiver Request Reviewers Team's recommendations to the Executive Director for final review and approval. This recommendation will include "MBE, WBE and DBE Waiver Request" and supporting documentation, and a transmittal signature sheet.
 - d) The MBE, WBE, DBE and Section 3 Coordinator will send a written notification regarding the "MBE, WBE and DBE Waiver Request" decision to the contractor or offeror.
6. The bidder's **delivery of a request** for waiver **does not**, in and of itself, **ensure** that such a **request will be granted**.
- a) A full or partial waiver may be granted only after the Louisville Metro Housing Authority has thoroughly reviewed the project's MBE, WBE, or DBE participation potential. Documentation supporting a request for waiver, if such evidence exists, may be presented to the Louisville Metro Housing Authority's Executive Director for a final decision.
 - b) If a waiver is granted, and there are no other impediments to the award of the contract, the contract award process may proceed.
 - c) If a waiver is not granted, or if no request for waiver is received, and the bid is otherwise acceptable, the Louisville Metro Housing Authority may require the Bidder to satisfy the total MBE, WBE, and DBE goals at no additional cost to the Louisville Metro Housing Authority or may deem the Bidder non-responsive.

I. Replacing MBE, WBE, or DBE Subcontractors

- 1. Any contractor who proposes to replace a proposed or accepted MBE, WBE, or DBE subcontractor must maintain the MBE, WBE, or DBE participation percentage that existed prior to the replacement of that subcontractor, or, if possible, achieve an even greater MBE, WBE, or DBE participation percentage. If the contractor finds it cannot satisfy these requirements, it must submit a request for waiver of the MBE, WBE, or DBE participation percentage goal, as prescribed above.
- 2. LMHA reserves the right to conduct compliance reviews on minority and non-minority contractors that utilize MBE, WBE, or DBE subcontractors, or perform as joint ventures. Contractors shall maintain records of all MBE, WBE, or DBE participation for three (3) years following completion of the project. Failure on the part of the contractor to comply with these

requirements could result in the withholding of payment, termination of the Contractor's right to proceed with the work, legal fines, imprisonment, or all of the above.

J. Assistance to MBE, WBE, and DBE firms

The Louisville Metro Housing Authority actively works to assist minority vendors and contractors/subcontractors. LMHA is committed to providing equal opportunities for Minority Business Enterprises (MBE, WBE, and DBE firms).

Such opportunities are advertised through newsletters and newspapers, including minority newspapers, minority purchasing councils, and the Department of Housing and Urban Development.

When requested, LMHA will provide special assistance, to the fullest extent possible, to MBE, WBE, and DBE firms, by providing instruction on the preparation of bids, MBE, WBE, and DBE policy, and any other requirements related to LMHA's MBE, WBE, and DBE program, in connection with activities including but not necessarily limited to:

1. Architectural, Engineering, and similar Professional Services contracts;
2. Construction and Maintenance contracts;
3. Purchase Contracts; and,
4. Bank Deposits.

MBE, WBE, or DBE firms, and others, seeking assistance in these areas should first contact:

1. Tri-State Minority Supplier Development Council, 600 West Main Street, Louisville, KY 40202.
Contact: (502) 625-0159
2. Kentucky Cabinet for Economic Development, Department of Existing Business & Industry, Minority Business Division, 2201 Capital Plaza Tower, Frankfort, KY 40601.
Contact: (502) 564-2064
3. Louisville and Jefferson County Human Relations Commission, 410 West Chestnut Street, Suite 300A, Louisville, KY 40202.
Contact: (502) 574-3631

NOTE: The following forms on pages 15-24 shall be completely filled out and submitted with the bid.

SCHEDULE OF MBE, WBE, AND DBE PARTICIPATION

(Name of Bidder)

For each MBE, WBE, or DBE firm proposed to participate in this project, **list the firm's name, business address, category of work, percentage of total bid to be performed by the firm, and the firm's Federal Tax ID number in the space provided below. Use additional sheets if necessary.**

The combined total of MBE participation proposed is _____ % of the total bid amount.
The combined total of WBE participation proposed is _____ % of the total bid amount.
The combined total of DBE participation proposed is _____ % of the total bid amount.

In addition to completion of this form, a Bidder who has met the MBE, WBE, and DBE goals must submit a copy of the signed sub-bid from each MBE, WBE, and DBE subcontractor listed with its bid.

The bidder, if successful, agrees to enter into a formal contract with each of the above referenced firms, in the amounts indicated, provided those firms are acceptable to the Louisville Metro Housing Authority.

NOTE: With respect to all MBD, WBE and DBE firms, whether proposed or otherwise, Bidder [or Contractor] hereby certifies that it and its fiduciaries and affiliates (i) have engaged in a fair and impartial manner with all such firms; (ii) have not utilized any such firms to obtain any unfair advantage; (iii) have made no negligent or fraudulent representations or misrepresentations to or about such firms; (iv) and there exist no side deals or undisclosed contracts or agreements that would otherwise frustrate the purpose of contracting with any MBD, WBE or DBE firms.

Signature/Title: _____ Date: _____

NOTE: Failure to complete and submit THIS form or comply with directions therein is ground for bid rejection.

MBE, WBE AND DBE WAIVER REQUEST INFORMATION SHEET

Contractor's Name: _____

Business Address, City, State and Zip Code:

Telephone Number: _____

Contract Person: _____

Project Name and Proposal Number:

WAIVER REQUESTED FOR: (fill in as needed for any that apply)

MBE: _____ **WBE:** _____ **DBE:** _____

% Requested: _____ **% Requested:** _____ **% Requested:** _____

NOTE: The “MBE, WBE and/or DBE waiver percentages” requested, when added with the “MBE, WBE and/ or DBE percentages” proposed on Page 15, must add up to the percentage needed for each category (MBE is 25%; WBE is 10%; and DBE is 0.5%).

STEPS TAKEN TO MEET GOALS: (must choose one for respond for each “step”):

		YES	NO
1	Provide written notice to potential bidders		
2	Allowed sufficient time to respond		
3	Follow-up written notification to potential bidders		
4	Contacting MBE, WBE, and DBE Agencies		
5	Selecting portions of work to be performed by MBE, WBE and DBE		
6	Advertising in general circulation media		
7	Marking efforts to meet and negotiate with potential MBE, WBE and DBE bidders		

PROVIDE A WRITTEN NARRATIVE OF THE “GOOD FAITH EFFORTS” TAKEN AND RESULTS: (Use Additional Sheets if Necessary):

NOTE: With respect to all MBD, WBE and DBE firms, whether proposed or otherwise, Bidder [or Contractor] hereby certifies that it and its fiduciaries and affiliates (i) have engaged in a fair and impartial manner with all such firms; (ii) have not utilized any such firms to obtain any unfair advantage; (iii) have made no negligent or fraudulent representations or misrepresentations to or about such firms; (iv) and there exist no side deals or undisclosed contracts or agreements that would otherwise frustrate the purpose of contracting with any MBD, WBE or DBE firms.

Signature/Title: _____ **Date:** _____

LIST OF PROPOSED SUBCONTRACTORS

The following list of proposed subcontractors is required to be submitted with each bidder's proposal, in accordance with the requirements of Section C of this solicitation. All subcontractors are subject to the approval of LMHA. **PROPOSED SUBCONTRACTORS AND SUBCONTRACT AMOUNTS SHALL NOT BE CHANGED, NOR SHALL ANY ADDITIONAL SUBCONTRACTORS BE EMPLOYED, WITHOUT THE EXPRESS WRITTEN CONSENT OF THE LOUISVILLE METRO HOUSING AUTHORITY.**

<u>NAME OF SUBCONTRACTOR</u>	<u>CATEGORY OF WORK</u>	<u>\$ Amount</u>
1. _____		
2. _____		
3. _____		
4. _____		
5. _____		
6. _____		

(Employer ID numbers must be provided upon request)
Use Additional Sheets If Necessary

**THIS FORM MUST BE COMPLETED AND SUBMITTED
WITH THE OFFICIAL BID PACKAGE.**

NOTE: WITHIN TWO WEEKS OF CONTRACT EXECUTION, THE GENERAL CONTRACTOR SHALL SUBMIT, FOR THIS CONTRACT, COPIES OF ALL SUBCONTRACTOR CONTRACTS OR WRITTEN AGREEMENTS TO THE LOUISVILLE METRO HOUSING AUTHORITY

NOTE: If third tier subcontracts are intended, the information on the following page must be provided for each proposed subcontractor.

NOTE: With respect to all MBD, WBE and DBE firms, whether proposed or otherwise, Bidder [or Contractor] hereby certifies that it and its fiduciaries and affiliates (i) have engaged in a fair and impartial manner with all such firms; (ii) have not utilized any such firms to obtain any unfair advantage; (iii) have made no negligent or fraudulent representations or misrepresentations to or about such firms; (iv) and there exist no side deals or undisclosed contracts or agreements that would otherwise frustrate the purpose of contracting with any MBD, WBE or DBE firms.

Signature/Title: _____ Date: _____

Instructions for Completing EMPLOYMENT DEMOGRAPHICS Form

1. **Duty to Submit Form** -- Every bidder shall complete the *Employment Demographics* form (hereafter, the Form). Every bidder shall ensure that each of its sub-bidders also completes the Form. The Bidder shall submit fully executed Forms for itself and each sub-bidder, with its bid, in the package labeled "Supplemental Bid Information."
2. **Space Constraints/Additional Forms** -- If the space provided on a single Form is insufficient to list every employee (see definition below) of the bidder or sub-bidder completing the Form (hereafter, the Entity), such Entity shall use additional Forms. Said Entity shall, however, ensure that each separate Form is dated, signed, and notarized. Each Official Bid Package contains one (1) blank copy of the Form. From that, the Bidder shall make as many copies as needed to ensure compliance with the preceding requirements.
3. **Completing the Form** -- The Form is divided into six numbered columns. Write the appropriate name and check the appropriate box at the top of the Form, then complete each column as follows:

Columns 1 and 2 -- Identify, by name, each and every employee, officer, principal, and agent of the Entity. Identify every such person (hereafter, the employee), whether or not intended to perform work under or related to this Contract. Be careful to list each employee by last name first. List only proper, legal names, do not list nicknames. Do not list names of persons the Entity employs as independent contractors. If the employee routinely works less than 37 and 1/2 hours per week, write the letter "P" in the left margin adjacent to the employee's name.

Column 3 -- State the employee's job title (e.g., secretary, laborer, carpenter, CEO). Use the job titles the Entity actually, routinely uses to describe the employee.

Column 4 -- State the date upon which the Entity hired the employee. If the employee has left the Entity's employ in the past and returned to work for the Entity again, state the most recent date of hire.

Column 5 -- Describe the nature of the work the employee routinely performs for the Entity. For example, if the employee's job title is "Laborer," the employee's work may be described as "performs unskilled physical labor." Or, a "Secretary" might be described as doing "filing, typing, etc." Use additional lines if necessary, to provide a clear description of an employee's duties.

Column 6 -- State the employee's race. Use the racial classifications provided in page 2, Section M. If you write "other" or a similar classification in Column 6, attach a signed statement explaining in detail exactly what is meant by such description. Attach a separate signed statement for each employee so described, tailoring each such statement to the employee to whom it refers.

4. Each Form shall be signed and dated by an authorized officer of the Entity and shall be notarized.

AGREEMENT TO NOTIFY LMHA OF JOB OPENINGS

(This form to be completed and submitted by prime contractor and all subcontractors.)

By my signature below, _____ (hereafter “the Company”), agrees to the
(Company’s Name)
following conditions:

1. The Company shall, if awarded the contract for which this Bid is offered, give LMHA notice of any and all job openings that may arise at the Company during the course of that contract.
2. Such notice shall be in writing and mailed, first class, to LMHA via the U.S. Postal Service within two business days after such opening arises. The notice shall describe the minimum qualifications and requirements of the job, the nature of the work, the expected pay rate or range, the place and manner of submitting applications, the name, address and telephone number of the person to contact to obtain an application or additional information, and the date by which applications must be submitted.
3. LMHA will notify its residents of such job openings and encourage qualified residents to submit applications for employment.
4. The Company will, if it receives an application from a qualified LMHA resident, give that application and applicant the same opportunity and consideration for the job as would be given any other, similarly qualified applicant and, if such applicant is the most qualified applicant and there is no bar to employing the applicant, the Company will hire the applicant for the job if it hires anyone for the job.

Date: _____

By: _____
(Authorized Officer’s Signature)

In witness whereof, I hereunto set my hand and official seal:

(Notary’s Signature)

(Notary’s printed name)

My commission expires _____.

**AFFIX
NOTARY’S
SEAL**

**STATEMENT OF INTENT TO PERFORM AS A
MINORITY BUSINESS ENTERPRISE CONTRACTOR/SUBCONTRACTOR**

(Separate form required for each MBE, WBE, and DBE prime or sub-bidder)

Name of Prime Bidder: _____

Name of MBE firm completing this form: _____

The undersigned wishes to perform work in connection with the above referenced project as:

Individual Corporation Partnership Joint Venture

The undersigned hereby confirms its status as a Minority Business Enterprise as defined by LMHA and that **a copy of the certification from the agency specified in Section C of this solicitation, or other evidence, is attached hereto.**

The undersigned intends to perform the following work in connection with this project (specify, in detail, the work to be performed):

Bid amount to be entered by sub-contractor \$ _____

The undersigned MBE projects its start and completion dates for the work as follows:

Project Start: _____ Project Completion: _____

BY: _____
(Signature of MBE's Principal) (Name and Title)

THIS FORM MUST BE COMPLETED, and included in this *Supplemental Bid Information* package, by each and every MBE contractor or subcontractor proposed to participate in this project.

The penalty for making false statements in offers (10 years imprisonment and/or \$10,000 fine) is prescribed in 18 U.S.C. 1001.

AFFIDAVIT OF MINORITY BUSINESS ENTERPRISE
(Separate form required for each MBE, WBE, and DBE proposed)

State of _____ County of _____

I hereby declare and affirm that _____ is a Minority
(Bidder's printed company name)

Business Enterprise (MBE), as defined by LMHA in the bid solicitation and that I am an officer of the above referenced MBE firm, and that I am authorized to provide information required by LMHA to support that firm's representation that it is a Minority Business Enterprise.

I do solemnly declare and affirm, under the penalties of perjury, that the foregoing is true and correct, and that I am authorized, on behalf of the above-named firm, to make this affidavit.

(Signature of Affiant)

(Printed name and title of Affiant)

STATE OF KENTUCKY, COUNTY OF JEFFERSON, CITY OF LOUISVILLE

On this _____ day of _____, 20____,

_____, the undersigned officer, personally appeared before me,
(Printed name of Affiant)

known to me to be the person described in the foregoing Affidavit, and acknowledged that he/she executed the same in the capacity therein stated and for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal:

(Notary's Signature)

(Notary's printed name)

My commission expires _____.

**AFFIX
NOTARY'S
SEAL**

THIS FORM MUST BE COMPLETED, and included in this *Supplemental Bid Information* package, by each and every minority contractor or subcontractor proposed to participate in this project.

The penalty for making false statements in offers (10 years imprisonment and/or \$10,000 fine) is prescribed in 18 U.S.C. 1001.

LEGITIMACY OF JOINT VENTURE

(Separate form required for each joint venture)

Majority Party's Name, Address, Phone, and Principal's Name:

Minority Party's Name, Address, Phone, and Principal's Name:

Portion of work to be performed by Majority Party: _____ % \$ _____
Portion of work to be performed by Minority Party: _____ % \$ _____

(Provide additional details on following page if applicable.)

"The undersigned do hereby declare and affirm, under the penalties of perjury, that the foregoing statements are true and correct and that **all material information necessary to identify and explain the terms and operation of the joint venture, and the intended participation by each joint venture, in this undertaking, is attached hereto.** Further, the undersigned agree to provide LMHA current, complete, and accurate information regarding the actual joint venture work, payments and any proposed changes in the above-stated arrangements, and to permit audits and/or examinations of books, records, and files of the joint ventures by authorized representatives of LMHA. The undersigned recognize and acknowledge that the statements herein are given under oath and any material misrepresentation will be grounds for terminating any contract that may be awarded the undersigned for this project."

BY: _____
(Signature of Majority Party's Principal)

Date: _____

BY: _____
(Signature of Minority Party's Principal)

Date: _____

Which, if any, of the parties to this venture are MBE firms? _____

THIS FORM MUST BE COMPLETED, and included in this *Supplemental Bid Information* package, by every joint venture proposed to participate in this project (ATTACH the Joint Venture Agreement and Letters of Incorporation).

The penalty for making false statements in offers (10 years imprisonment and/or \$10,000 fine) is prescribed in 18 U.S.C. 1001.

II. SECTION 3 PROGRAM REQUIREMENTS

- A. 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 shall be to the greatest extent feasible and directed to low and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low income persons.
1. Definitions of specific terms are as follows:
 - a) *New Hires*: Full time employees for permanent, temporary or seasonal employment opportunities.
 - b) *Section 3 Business Concern*: A business concern:
 - That is 51% or more owned Section 3 residents; or,
 - Whose permanent, full time employees include persons, at least 30% 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,
 - That provides evidence of a commitment to subcontracts in excess of 25% of the dollar award of all subcontract to be awarded to business concerns that meet the qualifications set forth in paragraph (1) or (2) above.
 - c) *Section 3 Resident*:
 - A public housing resident; or,
 - An individual who resides in the metropolitan statistical area and who is a low-income person (families, including single persons, whose incomes do not exceed 80% of the median family income) or very low-income person (families, including single persons, whose incomes do not exceed 50% of the median family income).
 - d) *Subcontractor*: Any entity (other than a person who is an employee of the Contractor) that has a contract with the Contractor to undertake a portion of the Contractor's obligation for the performance of work.
 2. Contractor's may demonstrate compliance with the "greatest extent feasible" requirement of Section 3 by meeting the numerical goals set forth for providing training, employment, and contracting opportunities to Section 3 residents and business concerns as follows:

- a) Awarding **at least 10%** of the total dollar amount of the Contract to Section 3 business concerns; and
 - b) Hiring Section 3 residents in a number equal to **at least 30%** of the aggregate number of new hires.
3. Contractor's shall provide training and employment opportunities to Section 3 residents in the following order of priority:
- a) Residents of the housing development or developments for which the Section 3 covered assistance is expended;
 - b) Residents of other housing developments managed by the Louisville Metro Housing Authority;
 - c) Participants in HUD YouthBuild programs in the metropolitan statistical area; and
 - d) Other Section 3 residents of the metropolitan statistical area.
4. Contractor's shall award to Section 3 business concerns in the following order of priority:
- a) Business concerns that are 51% or more owned by residents of the housing development or development for which the Section 3 covered assistance expended, or whose full, permanent work force includes 30% of these persons as employees;
 - b) Business concerns that are 51% or more owned by residents of other Louisville Metro Housing Authority developments, or whose full-time permanent workforce includes 30% of those persons as employees;
 - c) HUD YouthBuild programs being carried out within the metropolitan statistical area; and
 - d) Business concerns that are 51% or more owned by Section 3 residents, or whose permanent, full time workforce includes no less than 30% Section 3 residents, or that subcontract in excess of 25% of the total amount of subcontracts to business concerns in (1) and (2) above.
5. A contractor that has not met the numerical goals set forth has the burden of demonstrating why it was not feasible to meet the numerical goals set forth in this section.

- B. **Employment Demographics Reporting Requirements** -- The Contractor and each subcontractor shall complete and submit "Employment Demographics" forms once every month, or more frequently if LMHA so chooses, during the course of the contract.

In completing the forms, the Contractor and each subcontractor shall clearly identify persons newly employed since the last form was submitted (hereafter "New Hires"). The Contractor or subcontractor shall provide the address and telephone number of each New Hire, and shall state whether each New Hire is a Section 3 Resident. The Contractor shall collect the forms and deliver them to LMHA by the seventh calendar day of each such month. LMHA will provide the Contractor with proper, blank forms at the pre-construction conference, from which the Contractor shall make and distribute copies for its own use and its subcontractors' use. The Contractor's failure to submit a monthly Employment Demographics form, or that of any subcontractor, is ground for termination, for default, of the Contractor's right to proceed with the work.

- C. **Notice of Job Openings** -- The Contractor shall notify LMHA of any and all job openings that arise in the Contractor's company during the course of the Contract. Such notice shall be in writing and mailed, first class, to LMHA via the U.S. Postal Service within two business days after such opening arises. The notice shall describe the minimum qualifications and requirements of the job, the nature of the work, the expected pay rate or range, the place and manner of submitting applications, the name, address and telephone number of the person to contact to obtain an application or additional information, and the date by which applications must be submitted. LMHA will notify its residents of such job openings and encourage qualified residents to submit applications for employment. The Contractor shall, if it receives an application from a qualified LMHA resident, give that application and applicant the same opportunity and consideration for the job as would be given any other, similarly qualified applicant and, if such applicant is the most qualified applicant and there is no bar to employing the applicant, the Contractor shall hire the applicant for the job if it hires anyone for the job. The Contractor's right to proceed with the work may be terminated, for default, upon failure to perform this obligation.

SECTION 3 REQUIRED NUMERICAL GOALS:

- **AWARD AT LEAST 10% OF THE TOTAL DOLLAR AMOUNT OF THE CONTRACT TO SECTION 3 BUSINESS CONCERNS**
- **HIRING SECTION 3 RESIDENTS IN A NUMBER EQUAL TO AT LEAST 30% OF THE AGGREGATE NUMBER OF NEW HIRES**

SECTION 3 CLAUSE

This Contract is subject to the following conditions under Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3).

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and 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.

The below referenced documents are included as part of this section of the contract documents:

- Contractor Section 3 Plan Format (2 pages)
- Table A of Contractor Section 3 Plan Format (1 page)
- Table B of Contractor Section 3 Plan Format (1 page)
- Certification Form for Contractor Section 3 Plan Format (1 page)
- Form of *Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capability* (1 page)
- Section 3 Business Concern Affidavit Worksheet (2 pages)
- Form 6 – Section 3 Business Concern Affidavit (2 pages)

I. CONTRACTOR SECTION 3 PLAN FORMAT

_____ agrees to implement the following specific affirmative action steps directed at increasing the utilization of lower income residents and businesses within the city of Louisville, Kentucky.

- A. To ascertain, from the locality's program official the exact boundaries of the Section 3 covered project area and where advantageous, seek the assistance of local officials in preparing and implementing the affirmative action plan.
- B. To attempt to recruit, from within the city, the necessary number of lower income residents through: Local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within, or serving, the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, Hometown Plan, or the U.S. Employment Service.
- C. To maintain a list of all lower income residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.
- D. To insert this Section 3 plan in all bid documents, and to require all bidders on subcontracts to submit a Section 3 affirmative action plan including utilization goals and the specific steps planned to accomplish these goals.
- E. To ensure that subcontracts which are typically let on a negotiated rather than a bid basis in areas other than Section 3 covered project areas, are also let on a negotiated basis, whenever feasible, when let in a Section 3 covered project area.
- F. To formally contact unions, subcontractors and trade associations to secure their cooperation for this program.
- G. To ensure that all appropriate project area business concerns are notified of pending subcontractural opportunities.
- H. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.
- I. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 plan.
- J. To list on Table A, information related to subcontracts to be awarded.
- K. To list on Table B, all projected workforce needs for all phases of this project by occupation, trade, skill level and number of positions.

As officers and representatives of _____
(Name of Contractor)

We, the undersigned have read and fully agree to this Affirmative Action and become a party to the full implementation of this program.

Signature

Title

Date

Signature

Title

Date

CONTRACTOR SECTION 3 PLAN FORMAT (continued)

ESTIMATED PROJECT WORKFORCE BREAKDOWN – TABLE B

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5
JOB CATEGORY	TOTAL ESTIMATE POSITIONS	NO. OF POSITIONS CURRENTLY OCCUPIED BY PERMANENT EMPLOYEES	NO. POSITIONS NOT CURRENTLY OCCUPIED	NO. POSITIONS TO BE FILLED WITH L.I.P.A.R.
OFFICERS/ SUPERVISORS				
PROFESSIONALS				
TECHNICIANS				
HOUSING SALES/ RENTAL/MGMNT				
OFFICE/CLERICAL				
SERVICE WORKERS				
OTHERS				

TRADE:

JOURNEYMEN				
HELPERS				
APPRENTICES				
MAXIMUM NO. TRAINEES				
OTHERS				

TRADE:

JOURNEYMEN				
HELPERS				
APPRENTICES				
MAXIMUM NO. TRAINEES				
OTHERS				

TRADE:

JOURNEYMEN				
HELPERS				
APPRENTICES				
MAXIMUM NO. TRAINEES				
OTHERS				
TOTAL				

- Low income or very low-income persons.
- Refer to Supplemental General Conditions for specific requirements. _____

Company

As officers and representatives of _____, we the undersigned,
(Name of Contractor)
certify to the following in compliance with 24 CFR part 135, section 3, for work under Contact
No. _____:

(1) Any vacant employment positions, including training positions, that were filled after
_____ was selected to perform the work
(Name of Contractor)
under this contact, but before the contract was executed were not filled to circumvent
_____ obligations under 24 CFR part 135; and,
(Name of Contractor)

(2) Any vacant employment positions, including training positions, that were filled 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 _____
(Name of Contractor)
obligations under 24 CFR part 135.

CERTIFIED BY:

Signature

Title

Date

Signature

Title

Date

**CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3 PREFERENCE IN
CONTRACTING AND DEMONSTATION OF CAPABILITY**

Name of Business: _____
Address of Business: _____

Type of Business: = Corporation = Partnership
 = Sole Proprietorship = Joint Venture

Name and Address of Resident in 51% ownership position:

Attached is the following documentation as evidence of status:

For person claiming status as resident:

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

For the business entity as applicable:

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

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

- = Current financial statement
- = List of owned equipment
- = Statement of ability to comply
- = List of all contracts for the past

Corporate Seal

Authorizing Name & Signature

Attested by: _____
Name _____
Date _____

**SECTION 3 BUSINESS CONCERN AFFIDAVIT
WORKSHEET**

Will there be any contracts or subcontract let as a result of this project?
(Please circle your answer)

YES

NO

Will any of the contracts described on the Contracting Plan (FORM-3) be with Section 3 business concerns?
(Please circle your answer)

YES

NO

If the responses to both questions were yes, please have each of the businesses identified on the Contracting Plan (FORM-3) as Section 3 business concerns, complete FORM-6. A separate FORM-6 should be given to and completed by each Section 3 business concern.

INSTRUCTIONS FOR COMPLETION OF FORM-6

- I.
 1. Provide the full legal name of the business.
 2. Provide the current address of the business.
 3. Indicate whether the business is a corporation, a partnership, a sole proprietorship or a joint venture.
 4. Describe briefly the contract or subcontract that the business anticipates undertaking for the project. This should be the same information as in the first column on the Contracting Plan (FORM-3).
- II.
 1. Please indicate whether the business is a Section 3 business concern. A “Section 3 business concern” is a business concern that either:
 - (a) is at least 51% owned by Section 3 residents,
 - (b) Has full-time, permanent employees, at least 30% of whom wither (i) are currently Section 3 residents, or (ii) have been employed by the business for three years or less and were Section 3 residents at the time when the business first hired them,
 - (c) has committed to subcontract in excess of 225% of the dollar award of all subcontracts to be let in connection with the project to businesses that qualify under (a) or (b) above.
 2. A “business concern” is 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.

3. A “Section 3 business concern” – with category preference is defined as a Section 3 business concern that either:
 - (a) is at least 51% owned by Section 3 residents, all of whom live in the project’s service area, or
 - (b) has full-time, permanent employees, at least 30% of whom live in the project’s service area and either (i) are currently Section 3 residents, or (ii) have been employed by the business for three years or less and were Section 3 residents at the time when the business first hired them (category 1 business); or
 - (c) is at least 51% owned by Section 3 residents who live in other CHA housing developments not in the project’s service area, or whose full-time permanent employees, includes 30% of these Section 3 residents (category 2 business); or
 - (d) HUD YouthBuild programs being carried in the metropolitan area in which Section 3 covered assistance is expended (category 3 business); or
 - (e) Has committed to subcontract in excess of 25% of the dollar award of all subcontracts to be let in connection with the project to business that qualify under (a) or (b) above. (category 4 business).
 4. Identify whether the business has been selected to carry out any HUD YouthBuild programs.
- III. The title of the person signing the affidavit should be inserted. The affidavit must be signed, dated, and notarized. The name of the person signing the affidavit must type or legibly print below his/her signature.

SECTION 3 BUSINESS CONCERN AFFIDAVIT

The undersigned being duly sworn, on oath, represents, warrants, certifies, deposes and says, under penalty of law, as follows:

I. BASIC INFORMATION

The following information is true and correct:

1. Name of Company: _____

2. Company Address: _____

3. Type of Business (corporation, partnership, partnership, sole proprietorship, joint venture):

4. Project Name and Address(es): _____

5. Name/Type of Contract: _____

II. TYPE OF SECTION 3 BUSINESS CONCERN

For purposes of this section, please refer to the attached instructions for the meanings of the terms “Section 3 Business Concern” and Section 3 Business Concern with Category-Preference” and “HUD YouthBuild Program”. (Please circle your answer.)

1. Is the Company a Section 3 Business Concern?
YES NO

If “YES”, please go on to question #2. If “NO”, please go directly to Part III.

2. Is the company a Section 3 Business Concern-With Category preference?
YES NO

If “YES”, please go directly to Part III. If “NO”, please go on to question #3.

3. Has the Company been selected to carry out any HUD YouthBuild Program?
YES NO

III. VERIFICATION

The company hereby agrees to provide, upon request, documents verifying the information provided on this form.

Under penalty of perjury, I certify that I am the _____ (Title) of the Company, that I am authorized by the Company to execute this affidavit on its behalf, that I have personal knowledge of the certifications made in this affidavit and that the same are true.

Name (Signature) _____

Name (Printed) _____

State of Kentucky

County of _____

Subscribed and sworn to before me this _____ day of _____, 20_____.

Notary Public

My Commission Expires: _____

**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 and brief function statement
- Additional documentation

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

Authorizing Name and Signature

(Corporate Seal)

Attested by: _____

Preference for Section 3 Business Concerns

Preference in the award of Section 3 covered contracts that are awarded under a sealed bid (IFB) process shall be provided as follows:

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 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:

"X" = 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
At least \$7 million or more.....	1 ½ % of the lowest responsive bid with no dollar limit

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

RESIDENT EMPLOYMENT OPPORTUNITY DATA

LOUISVILLE METRO HOUSING AUTHORITY

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.)

**Certification for Resident Seeking Section 3 Preference in
Training and Employment**

I, _____, am a legal resident of the _____
_____ and meet the income eligibility
guidelines for a 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 in a public assistance program | <input type="checkbox"/> Other evidence
_____ |

Signature

Print Name

Date

SECTION 3 INCOME LIMITS

All residents of public housing developments of the Louisville Metro Housing Authority qualify as Section 3 residents. Additionally, individuals residing in the metropolitan area (or non-metropolitan county) of the City of Louisville, KY who meet the income limits set forth below, can also qualify for Section 3 status.

A picture identification card and proof of current residency is required.

Eligibility Guideline (Year 2020)

Number in Household	Very Low Income	Low Income
1 individual	27,150	43,400
2 individuals	31,000	49,600
3 individuals	34,900	55,800
4 individuals	38,750	62,000
5 individuals	41,850	67,000
6 individuals	44,950	71,950
7 individuals	48,050	76,900
8 individuals	51,150	81,850

Data Ref: <https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>

II. EQUAL EMPLOYMENT OPPORTUNITY

- A. Paragraph 39. (j) of Section I, *General Conditions* is hereby deleted and replaced with the following:

The requirements of Executive Order 11246 are set forth as follows:
**Standard Federal Equal Employment Opportunity Construction
Contract Specifications (Executive Order 11246)**

1. As used in this paragraph:
"Covered Area" means the geographical area described in the specification from which this contract resulted.

"Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority.

"Employer Identification Number" means the Federal Social Security Number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

"Minority" a person who conforms to the definitions provided.

"These specifications" means Paragraph 39. (j) of Section I, *General Conditions*.
2. Whenever the Contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract, in excess of \$10,000, the provisions of this Section and the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan, approved by the U.S. Department of Labor in the covered area, either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with the Plan for those trades which have union participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor, or subcontractor, participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make good faith efforts to achieve each goal under the Plan in each trade in which it has employees.
4. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractors, or subcontractor' failure to make good faith efforts to achieve the Plan goals and timetables.

5. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7.a through 7.p, below. The goals set forth in the solicitation are the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area.
6. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.
7. Neither the provisions of any collective bargaining agreement, nor the failure by a union, with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor from its obligations under the specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
8. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability pursuant to training programs approved by the U.S. Department of Labor.
9. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its efforts to achieve maximum results from its actions. The Contractor shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:
 - a) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities, at which the Contractor's employees are assigned to work; and,
 - b) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available and maintain a record of the organizations' responses; and,
 - c) Maintain a current file of the names, addresses, and telephone numbers of all minority and female "off-the-street" applicants and minority or female referrals from unions, recruitment sources, or community organizations, and of what action was taken with respect to each such individual.

If such an individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, the file with the reason therefore, along with whatever additional actions the Contractor may have taken; and,

- d) Provide immediate typewritten notification to the Director when the union(s), with which the Contractor has a collective bargaining agreement, has not referred to the Contractor a minority or female person sent by the Contractor, or when the Contractor has other information that the union(s) referral process has impeded the Contractor's effort to meet its obligations; and,
- e) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly includes minorities and women, including upgrading programs and apprenticeship and training programs relevant to the Contractor's employment needs, especially those programs funded or approved by the U.S. Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under the requirements of 7.b, above; and,
- f) Disseminate the Contractor's EEO policy by providing notice of policy to unions and training programs, and requisitioning their cooperation in assisting the Contractor in meeting its EEO obligations; including it in any policy manual and collective bargaining agreement; publicizing it in the company newspaper, annual report, etc.; specific review of the policy with all management personnel and with all minority and female employees at least once a year; and, by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed; and,
- g) Review, at least annually, the company's EEO policy and affirmative action obligation under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions, including specific review of these items with on-site supervisory personnel, such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site.

A written record shall be maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter; and,

- h) Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female media, and by providing written notification to, and discussing the Contractor's EEO policy with, other contractors and subcontractors with whom the Contractor does, or anticipates doing, business with; and,
- i) Direct its recruitment efforts, both oral and verbal, to minority, female, and community organizations, to schools with minority and female students, and to minority and female recruitment and training

- organizations servicing the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process; and,
- j) Encourage present minority and female employees to recruit other minority and female persons, and, where reasonable, provide after school, summer, and vacation employment opportunities to minority and female youth, both on the site and in other areas of the Contractor's work force; and,
 - k) Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR §60-3; and,
 - l) Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities, and encourage those employees to seek, or to prepare for through appropriate training, etc., such opportunities; and,
 - m) Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect, by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out; and,
 - n) Ensure that all facilities and company activities are non-segregated, except that separate or single user toilet and necessary changing facilities shall be provided to assure privacy between the sexes; and,
 - o) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations; and,
 - p) Conduct a review, at least annually, of all supervisors' adherence to, and performance under, the Contractor's EEO policy and affirmative action obligations.
10. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7.a through 7.p). The efforts of a contractor association, joint contractor union, contractor community, or other similar group, of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7.a through 7.p of these specifications, provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are

reflected in the Contractor's minority and female work force participation, makes good faith efforts to meet its individual goals and timetables, and can provide documentation which demonstrates the effectiveness of actions taken on the behalf of the Contractor. The obligation to comply, however is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's non-compliance.

11. A single goal for minorities and a separate single goal for women have been established. The Contractor is, however, required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner.

For example, even though the Contractor has achieved its goal for women in general, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized.

12. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, national origin, or handicap.
13. The Contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
14. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Employment Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs.

Any Contractor who fails to carry out such sanctions and penalties shall itself be in violation of these specifications and Executive Order 11246, as amended.

15. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those set forth in 7.a through 7.p above, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR §60-4.8.
16. The Contractor shall designate a responsible official to monitor all employment related activities to ensure that the company's EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include, for each employee, the name, address, telephone number,

construction trade, union affiliation, if any, employee identification number, if any, Social Security Number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form, however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

17. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

V. AFFIRMATIVE ACTION REQUIREMENTS

- A. Paragraph 41, *Indian Preference*, of Section I, *General Conditions* is hereby deleted and replaced with the following:

**Notice of Requirement For Affirmative Action To Ensure
Equal Employment Opportunity (Executive Order 11246)**

1. The Offeror's, Bidder's, or Contractor's (henceforth called Contractor) attention is called to the "Equal Opportunity Clause" and the "Standard Equal Employment Opportunity Construction Contract Specifications" set forth herein.
2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate work force in each trade, on all construction work in the covered area, are as follows:

Goals for minority participation for each trade:	11.2%
Goals for female participation for each trade:	6.9%

These goals apply to all the Contractor's construction work performed in the covered area, whether or not it is Federally assisted.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60.3(a), and its efforts to meet the goals established for the geographical area where this Contract is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to contractor, or from project to project, for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR

Part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Program within 10 working days of award of any construction subcontract in excess of \$10,000, at any tier, for construction work under this Contract. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

END OF SECTION