

Request for Letters of Interest:

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

PROPOSAL NO. 1550

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**

PROPOSAL NO. 1550

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

**Issue Date:
July 22, 2021**

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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. 1550**

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

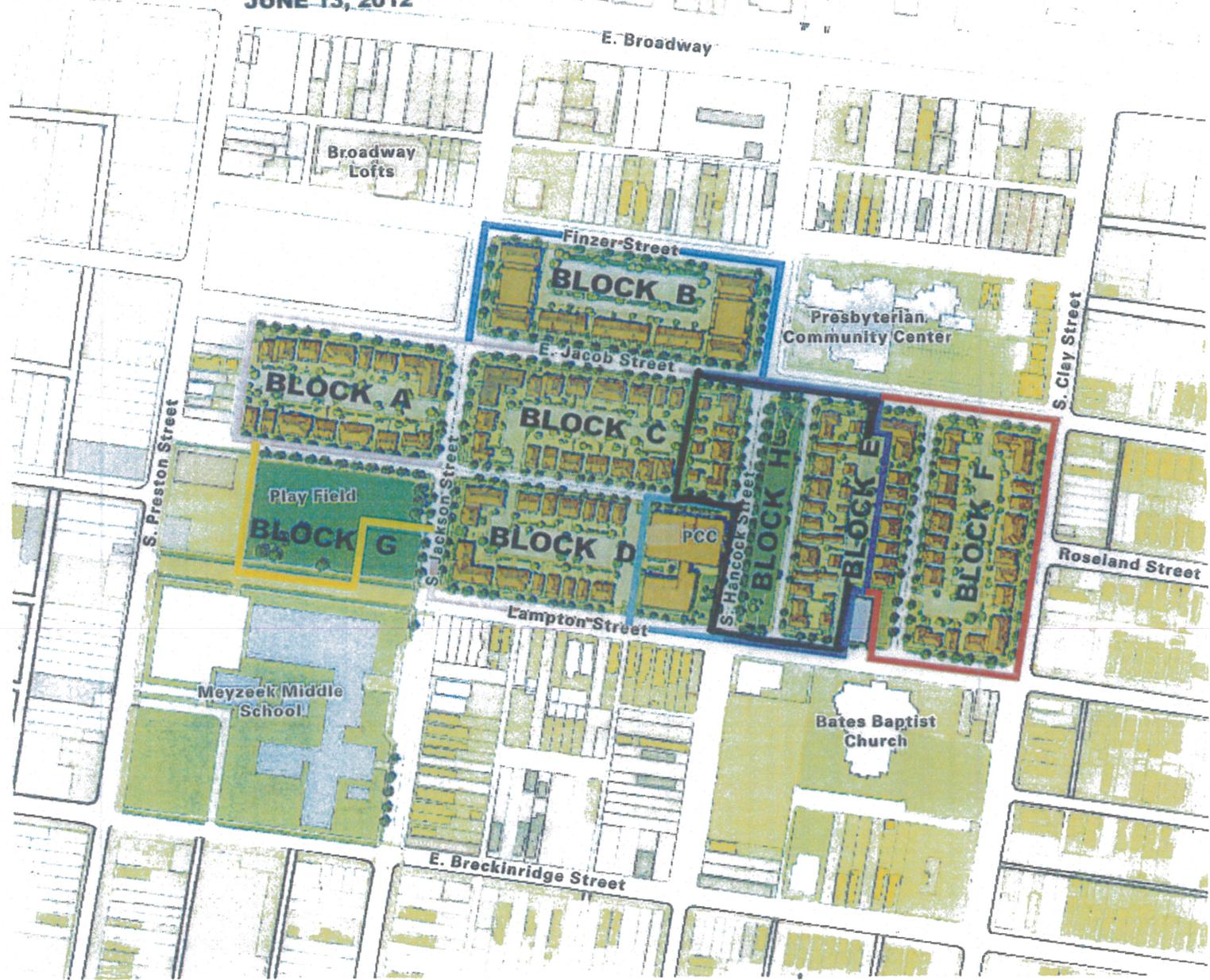
SHEPPARD HOPE VI

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 PLAN AND HEREBY DEDICATES TO THE PUBLIC USE THE LAND SHOWN HEREON...

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

ZONING CERTIFICATE

WE HEREBY CERTIFY THAT THE UNDEVELOPED PORTION AND ANY EXISTING BUILDINGS AND IMPROVEMENTS THEREON AND/OR ANY BUILDINGS AND IMPROVEMENTS...

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...

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

CERTIFICATE OF APPROVAL

APPROVED THIS 11th DAY OF JULY, 2017 INVALID IF NOT RECORDED BY THIS DATE BY: [Signature]

APPROVAL SUBJECT TO ATTACHED CERTIFICATES: SPECIAL REQUIREMENT(S): CASE NO.

LAND SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE SURVEY DEPICTED BY THIS PLAN WAS PERFORMED UNDER MY SUPERVISION IN ACCORDANCE WITH THE SURVEY STANDARDS ESTABLISHED BY KRS 19.00...

DATE: 7-5-17



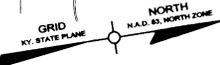
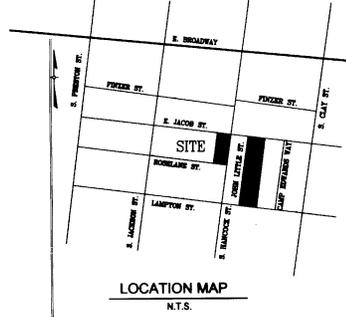
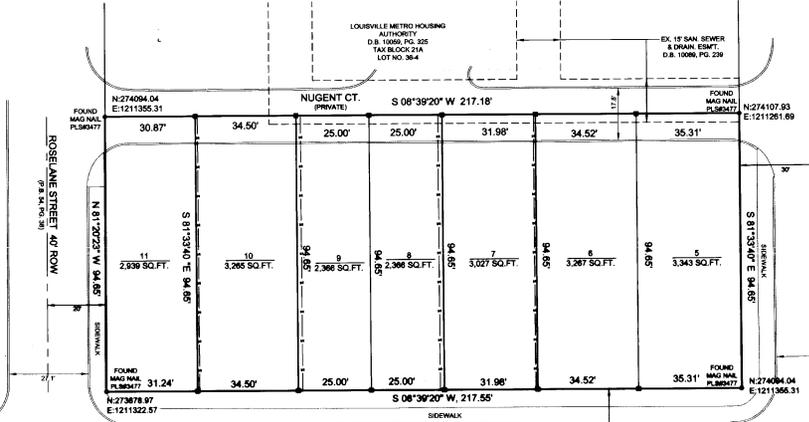
GENERAL NOTES:

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...

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 plot. However, this review does not constitute any form of construction approval for work on this site.

Ex Sewer Serv. Avail. By PSC, Subj. To Fees > Lots 6-10 Sewer Serv. Shall Be Available By Lateral Extension > Lots 17-29



MINOR SUBDIVISION PLAN OF REVISED SHEPPARD SQUARE TO SHIFT PROPERTY LINES ON LOTS 8 THRU 10 AND LOTS 14 THRU 29 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

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



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END OF DOCUMENT

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 REGULATORY REQUIREMENTS:

- **TWENTY-FIVE (25) PERCENT OR MORE OF THE TOTAL NUMBER OF LABOR HOURS WORKED BY ALL WORKERS EMPLOYED FOR THIS PROJECT WILL BE PERFORMED BY SECTION 3 WORKERS, AND**
- **FIVE (5) PERCENT OR MORE OF THE TOTAL NUMBER OF LABOR HOURS WORKED BY ALL WORKERS EMPLOYED FOR THIS PROJECT WILL BE PERFORMED BY TARGETED SECTION 3 WORKERS.**

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

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

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:

WAVIER 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:** _____

SUMMARY 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 seven 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. Use the number 1 for Caucasian. 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.

Column 7 -- State if the employee is certified as a Section 3 Workers (as per II, A, 1.(g)) with "S" or Targeted Section 3 Workers (as per II, A, 1.(j)) with "T" or leave blank if there is no Section 3 certification. Documentation of Section 3 status must be provided upon request.

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 REGULATORY REQUIREMENTS (In accordance with 24 CFR 75)

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) *1937 Act* means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq.
- b) *Contractor* means any entity entering into a contract with:
 - A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or
 - A subrecipient for work in connection with a Section 3 project.
- c) *Labor hours* means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.
- d) *Low-income person* means a person as defined in Section 3(b)(2) of the 1937 Act, which is a person who's annualized income is at or below \$43,050 as determined per HUD FY 2021 Income Limits Documentation for Louisville Metro Area.
- e) *Professional services* mean non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services
- f) *Section 3 Business Concern* means:
 - (1) A business concern meeting at least one of the following criteria, documented within the last six-month period:
 - (i) It is at least 51 percent owned and controlled by low- or very low-income persons; or

- (ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 Workers; or
- (iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

(2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

(3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

g) *Section 3 Worker* means:

(1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- (ii) The worker is employed by a Section 3 business concern.
- (iii) The worker is a YouthBuild participant.

(2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

(3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

h) *Section 8-assisted housing* refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

i) *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.

j) *Targeted Section 3 Worker* means a Section 3 Worker who is:

- (1) A worker employed by a Section 3 Business Concern; or
 - (2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - (i) A resident of Louisville Metro Housing Authority or Section 8-assisted housing;
 - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
 - (iii) A YouthBuild participant.
 - k) *YouthBuild* refers to programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).
2. Requirements for Contractors and Subcontractors are as follows:
- a) Employment and training.
 - (1) Consistent with existing Federal, state, and local laws and regulations, contractors, and subcontractors, must make their best efforts to provide employment and training opportunities generated by this project to Section 3 Workers.
 - (2) Contractors and subcontractors, must make their best efforts described in paragraph (a)(1) of this section in the following order of priority:
 - (i) To residents of the public housing projects for which the public housing financial assistance is expended;
 - (ii) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
 - (iii) To participants in YouthBuild programs; and
 - (iv) To low- and very low-income persons residing within the Louisville Metropolitan Area.
 - b) Contracting.
 - (1) Consistent with existing Federal, state, and local laws and regulations, Contractors, and subcontractors, must make their best efforts to award contracts and subcontracts to business

concerns that provide economic opportunities to Section 3 workers.

- (2) Contractors and subcontractors, must make their best efforts described in paragraph (b)(1) of this section in the following order of priority:
 - (i) To Section 3 business concerns that provide economic opportunities for residents of the public housing projects for which the assistance is provided;
 - (ii) To Section 3 business concerns that provide economic opportunities for residents of other public housing projects or Section-8 assisted housing managed by the PHA that is providing the assistance;
 - (iii) To YouthBuild programs; and
 - (iv) To Section 3 business concerns that provide economic opportunities to Section 3 Workers residing within the Louisville Metropolitan Area.

3. Contractor's Safe Harbor:

- a) General. LMHA and other recipients will be considered to have complied with requirements in this part, in the absence of evidence to the contrary, if they:
 - (1) Certify that they have followed the prioritization of effort listed in Section 2 a (2) and 2 b (2); and
 - (2) Meet or exceed the Section 3 benchmarks as described in paragraph (b) of this section.
- b) Benchmarks for the project are as follows:
 - (1) Twenty-five (25) percent of the labor hours performed on this project shall be by Section 3 Workers as defined in Section 1 (g). The ratio to determine Section 3 Worker labor hours is the number of labor hours worked by Section 3 Workers divided by the total number of labor hours worked by all workers on the project.

$\frac{\text{Section 3 Labor Hours}}{\text{Total Labor Hours}} = 25\%$
--

- (2) Five (5) percent of the labor hours performed on this project shall be by Targeted Section 3 Workers as defined in Section 1 (j). The ratio to determine Targeted Section 3 Worker labor hours is the number of labor hours worked by Targeted Section 3 Workers divided by the total number of labor hours worked by all workers on the project.

$\frac{\text{Targeted Section 3 Labor Hours}}{\text{Total Labor Hours}} = 5\%$
--

- (3) The Contractor and subcontractors will exclude Professional Services as defined in Section 1 (e), from the total number of labor hours performed on the project.
- (4) Contractors and subcontractors may report on the labor hours based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems.

c) Reporting of Labor Hours:

- (1) Contractors and subcontractors must report to Louisville Metro Housing Authority:
- (i) The total number of labor hours worked;
 - (ii) The total number of labor hours worked by Section 3 Workers; and
 - (iii) The total number of labor hours worked by Targeted Section 3 Workers.
- (2) It is the Bidder's inherent responsibility to determine employees are Section 3 Workers (as per II A 1 (g)) and Targeted Section 3 Workers (as per II A 1 (j)) and must provide documentation upon request.
- (3) Section 3 workers' and Targeted Section 3 Workers' labor hours may be counted for five years from when their status as a Section 3 Worker or Targeted Section 3 Worker is established.
- (4) Contractors and subcontractors shall submit Labor Hours weekly. Labor Hours may be submitted via certified payroll forms so long as Employees are clearly designated as Non-Section 3 Worker, Section 3 Worker or Targeted Section 3 Worker.

- 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 Worker or Targeted Section Worker. 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 REGULATORY REQUIREMENTS:

- **TWENTY-FIVE (25) PERCENT OR MORE OF THE TOTAL NUMBER OF LABOR HOURS WORKED BY ALL WORKERS EMPLOYED FOR THIS PROJECT WILL BE PERFORMED BY SECTION 3 WORKERS, AND**
- **FIVE (5) PERCENT OR MORE OF THE TOTAL NUMBER OF LABOR HOURS WORKED BY ALL WORKERS EMPLOYED FOR THIS PROJECT WILL BE PERFORMED BY TARGETED SECTION 3 WORKERS.**

- A. Noncompliance with HUD's regulations in 24 CFR part 75 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)
- Section 3 Business Concern Self Certification form (1 page)
- Section 3 Worker Registration form (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 low 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 SECTION 3 WORKERS
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 75, for work under Contract
No. _____:

CERTIFIED BY:

Signature

Title

Date

Signature

Title

Date



SECTION 3 BUSINESS CONCERN SELF CERTIFICATION FORM

Businesses seeking Section 3 Business Concern status and preference for contracting opportunities must submit this form. Or complete the online Self Certification Form at: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>
Additional information may be required as verification of Section 3 eligibility.

BUSINESS NAME		
ADDRESS		
CITY	STATE	ZIP
BUSINESS WEBSITE		
TELEPHONE NUMBER ()		EMAIL ADDRESS:
FEDERAL EMPLOYER IDENTIFICATION NUMBER		
BUSINESS POINT OF CONTACT		

Type of business

- Corporation Partnership Sole Proprietorship Joint Venture

Please select one of the following three qualification methods for Section 3 Business Concern certification.

- A business concern that is at least 51 percent owned and controlled by low income persons (individual income is less than \$43,050) or,**
- A business concern that has over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or,**
- A business concern that is at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.**

Verification of status must be documented within the last six (6) month period.

Signature _____ Date _____

Print Name _____ Title _____



SECTION 3 WORKER REGISTRATION FORM
PLEASE PRINT CLEARLY

PERSONAL INFORMATION

DATE: _____

Last Name First Middle

Street Address (Apt) City State Zip

(_____) (_____) _____
Home Telephone Mobile Telephone Email Address:

Are you at least 18 years old or older? Yes _____ No _____

Do you reside in subsidized, public or Section 8 housing? Yes _____ No _____

Are you a graduate or current student in the DOL YouthBuild program? Yes _____ No _____

Is your individual annual income at or below \$43,050? Yes _____ No _____

Do you meet the requirements of a "Section 3 Worker" per the definition on page 2? Yes _____ No _____

Are you currently employed? Yes _____ No _____ If yes, where? _____

When are you available to work? ____/____/____

Do you have a valid driver's license? Yes _____ No _____

EDUCATION and WORK EXPERIENCE/SKILLS

Do you have a High School diploma or GED? Yes _____ No _____

Please check all that apply and add number of years regarding your experience:

- _____ Experience in Carpentry/Wood work (# of years _____)
- _____ Experience in Plumbing work (# of years _____)
- _____ Experience in Electrical work (# of years _____)
- _____ Experience in Heating/Air Conditioning work (# of years _____)
- _____ Experience in Drywall Finishing/Hanging (# of years _____)
- _____ Experience as a Laborer (# of years _____)
- _____ Experience with Painting for a contractor or commercial businesses (# of years _____)

Do you have any construction certifications or licenses? Yes _____ No _____ If yes, Lic. No. _____

Other Construction experience skills _____

TO BE COMPLETED BY LMHA REPRESENTATIVE

Sent: MBE/Section 3 Coordinator Yes _____ No _____ Date sent: ____/____/____

LMHA Rep: _____

Determinations of persons and businesses classified as Section 3 Workers, Targeted Section 3 Workers and Section 3 Business Concerns (as per **24 CFR--PART 75.5 Definitions**)

CHECK THE BOX THAT APPLIES TO YOU.

Section 3 Worker means:

Any worker who currently fits **or when hired within the past five years** fit at least one of the following categories, as documented:

- A resident of public housing or Section 8-assisted housing.
- Income for the previous or annualized calendar year is below the income limit established by HUD (Individual annual **income at or below \$43,050**).
- Employed by a Section 3 Business Concern.
- A YouthBuild participant.

CHECK THE BOX THAT APPLIES TO YOU.

Targeted Section 3 Worker means:

- A worker employed by a Section 3 Business Concern: or

A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:

- A resident of Louisville Metro Housing Authority or Section 8-assisted housing;
- A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
- A YouthBuild participant.

CHECK THE BOX THAT APPLIES TO YOUR BUSINESS.

Section 3 Business Concern means:

A business concern meeting at least one of the following criteria, documented within the last six-month period:

- It is at least 51 percent owned and controlled by low- or very low-income persons.
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 Workers.
- It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

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 M