

<p><b>Sample Contract Appendix No. 3, Section 3 Plan</b></p> <p>Contract No. _____ Contractor: _____</p> <p align="center"><b>(RFP Attachment F-3)</b></p>
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This Section 3 Plan pertaining to the above noted contract is intended to meet the standards of 24 CFR 135; most specifically in Section 135.1, to "ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, . . . be directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing . . ."

**Part 1.0 - Current Status as a Section 3 Business Concern**

We hereby complete the following to verify our firm's status as a "section 3 business concern" (as detailed in 24 CFR 135.5):

**1.1** Yes\_\_ No\_\_: Our firm is "51 percent or more owned by section 3 residents." If "Yes," we hereby submit the following noted documentation to verify this claim; if "No," proceed directly to Section 1.2.

[Table No. 1]

(1) Section	(2) Mark "X"* if Included	(3) Description
2.1.1		MPHA resident lease
2.1.2		Evidence of participation in a public assistance program
2.1.3		Articles of Incorporation
2.1.4		Fictitious or Assumed Business Name Certificate
2.1.5		List of owners/stockholders and % of each
2.1.6		Latest Board minutes appointing officers
2.1.7		Organization chart with names and titles and brief functional statement
2.1.8		Partnership Agreement
2.1.9		Corporation Annual Report

**1.2** Yes\_\_ No\_\_: Our firm's "permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents." If "Yes," to justify this claim we hereby submit the following documentation in Table No. 2. If "No," proceed directly to Section 1.3.

**1.2.1** Low- and very low-income in Hennepin County, MN is defined as residents in the following income levels for FY 2016 (Median Income = \$85,800):

**Request for Proposals (RFP) No. P17010 – Legal Services for Litigation of Eviction Court Cases**

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[Table No. 2]

Income Limit Category	(1) Person	(2) Persons	(3) Persons	(4) Persons	(5) Persons	(6) Persons	(7) Persons	(8) Persons
Very Low (50%)	\$30,050	\$34,350	\$38,650	\$42,900	\$46,350	\$49,800	\$53,200	\$56,650
Extremely Low (30%)	\$18,050	\$20,600	\$23,200	\$25,750	\$28,440	\$32,580	\$36,730	\$40,890
Low (80%)	\$46,000	\$52,600	\$59,150	\$65,700	\$71,000	\$76,250	\$81,500	\$86,750

Income Limit figures are based on FY2016 Fair Market Rent (FMR). For a detailed account of how these limits are derived, please see our associated FY2016 FMR documentation.

[Table No. 3]

(1) Classification	(2) Total Number of Current Permanent Employees	(3) Total Number of Section 3 Resident Employees
Trainees		
Apprentices		
Journeypersons		
Laborers		
Supervisory		
Superintendent		
Professional		
Clerical		
Other:		

**1.2.1** If quantities are entered in Table No. 3, provide proof or statement of Section 3 eligibility.

**1.3** Yes\_\_ No\_\_: We hereby provide evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."

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[Table No. 4]

(1) Name of Section 3 Firm Receiving the Subcontract	(2) Total Amount of Subcontract(s)	(3) Percentage the Subcontract(s) is/are of the Total Proposed Contract Amount
	\$	%
	\$	%

**1.3.1** Attach fully executed copies of any contracts noted above.

**1.3.2** Provide proof or a statement of each firm’s Section 3 eligibility.

**1.4 Instructions.** If your firm is unable to claim a Section 3 status as detailed in Part 1.0, please complete Part 2.0.

**Part 2.0 - Additional Efforts to Satisfy the Requirements of Section 3**

**2.1** Answer each of the following "Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents" detailed in Appendix I of 24 CFR 135.

[Table No. 5]

(1) Section	(2) Will	(3) Will Not	(4) Description of Commitment
2.1.1			Enter into “first source” hiring agreements with organizations representing Section 3 residents.
2.1.2			Sponsor a HUD-certified “Step-Up” employment and training program for section 3 residents.
2.1.3			Establish training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.
2.1.4			Advertise the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every

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			occupied dwelling unit in the housing development(s) where category 1 or category 2 persons (as these terms are defined in §135.34) reside.
2.1.5			Advertise the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development(s). Post advertisements for the MPHA in the housing development(s) where category 1 or category 2 persons reside. For all other recipients, post advertisements in the housing development(s) and/or local transitional housing.
2.1.6			Contact resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development(s) where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request assistance in notifying residents of the training and employment positions to be filled.
2.1.7			Sponsor (schedule, advertise, finance or provide in-kind services) a job informational meeting to be conducted by the MPHA or the Contractor at a location in the housing development(s) where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.
2.1.8			Arrange assistance in conducting job interviews and completing job applications for residents of the housing development(s) where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.
2.1.9			Arrange for a location in the housing development(s) where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or Contractor representative(s).
2.1.10			Conduct job interviews at the housing development(s) where category 1 or category 2 persons reside, or at a location in the neighborhood or service area of the section 3

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			covered project.
2.1.11			Contact agencies administering HUD Youthbuild programs, and request their assistance in recruiting HUD Youthbuild program participants for the MPHA’s or Contractor’s training and employment positions.
2.1.12			Consult with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for training and employment positions.
2.1.13			Advertise jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.
2.1.14			Employ a job coordinator or contract with a business concern that is licensed in the field of job placement that will undertake (on behalf of the MPHA, other recipient or Contractor) the efforts to match eligible and qualified section 3 residents with the training and employment positions that the MPHA or the Contractor intend to fill.
2.1.15			Employ section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance.
2.1.16			Maintain a file of eligible qualified section 3 residents for future employment positions.
2.1.17			Undertake job counseling, education and related programs in association with local educational institutions.
2.1.18			Undertake continued job training efforts as may be necessary to ensure the continued employment of section 3 residents previously hired for employment opportunities.
2.1.19			After selection of proposers, but prior to execution of contracts, incorporate into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.
2.1.20			Coordinate plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for

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			housing and community development.
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**2.2 Section 3 Preference Claim, Training and Employment Opportunities.** Answer if your firm will, as detailed in 24 CFR §135.34, provide "opportunities" as follows to:

[Table No. 6]

(1) Section	(2) Will	(3) Will Not	(4) Description of persons such Opportunities will be provided to:
2.2.1			Residents of the housing development(s) for which the section 3 covered assistance is expended (category 1 residents).
2.2.2			Residents of other housing developments managed by the MPHA that is expending the section 3 covered housing assistance (category 2 residents).
2.2.3			Participants in HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 residents);
2.2.4			Other section 3 residents (attach complete description).

**2.3 Section 3 Preference Claim, Section 3 Business Concerns.** Answer if your firm will, as a result of the contract award and as detailed in 24 CFR §135.36, provide "opportunities" as follows to:

[Table No. 7]

(1) Section	(2) Will	(3) Will Not	(4) Description of persons such Opportunities will be provided to
2.3.1			Business concerns that are 51 percent or more owned by residents of the housing development(s) for which the section 3 covered assistance is expended, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 1 businesses).
2.3.2			Business concerns that are 51 percent or more owned by residents of other housing developments or developments managed by the MPHA that is expending the section 3 covered assistance, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 2 businesses).

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2.3.3			HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 businesses).
2.3.4			Business concerns that are 51 percent or more owned by section 3 residents, or whose permanent, full-time workforce includes no less than 30 percent section 3 residents (category 4 businesses), or that subcontract in excess of 25 percent of the total amount of subcontracts to business concerns.

**2.4 Instructions.** If your firm is unable to satisfy the Section 3 requirements detailed in Part 2.0, please complete Part 3.0.

**Part 3.0 - Potential Hiring Efforts to Satisfy the Requirements of Section 3**

**3.1** Please answer how your firm agrees to satisfy the Section 3 requirements by one of the following methods:

**3.1.1 Section 3 Hiring Goals.** If, as a result of this contract, your firm will need to hire additional employees, please indicate your commitment to the number of new Section 3 hires in Table No. 8 below:

[Table No. 8]

(1) Classification	(2) Total Number of Current Permanent Employees	(3) Total Number of New Hires that will result from this contract	(4) Goal: Total Number of Section 3 New Hires that the Contractor anticipates will result from this contract
Trainees			
Apprentices			
Journeypersons			
Laborers			
Supervisory			
Superintendent			
Professional			
Clerical			

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Other:			
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**3.1.2 Instructions.** If your firm is unable to satisfy the Section 3 requirements detailed in Part 3.1.1, please complete Part 3.1.3.

**3.1.3 Interviewing and Potential Hiring of MPHA Residents.** If your firm hires any new employees, you must agree to, as a part of your new hire process for any open positions during this contract:

**3.1.3.1** Review the MPHA's listing of residents who have registered and declared his/her desire to interview and accept a job;

**3.1.3.2** In the same manner that you do with other applicants, conduct an interview with such residents who have claimed experience within a certain skill set or field and have expressed a desire to interview; and

**3.1.3.3** If, as a result of the interview process, the resident qualifies for the position and passes all such testing (e.g. skills test; drug tests; credit checks; background check; etc.), you shall agree to offer the position to the resident.

**3.1.3.4** Your firm shall agree that all MPHA residents will, during the interview process, be treated equal to and in the same manner as, any non-resident person who interviews with our firm.

**3.1.3.4.1** NOTE: Contractor shall have no responsibility to hire any resident who does not qualify for the position. However, the Contractor will be required to report to the MPHA the results of such testing and checks, and fully inform the MPHA as to why the resident(s) were not hired.

**3.1.3.5** Further, your firm shall agree to inform the MPHA in writing of the following within 5 days after a new employee has been hired:

**3.1.3.5.1** The position title;

**3.1.3.5.2** The name of the person hired;

**3.1.3.5.3** The date the MPHA listing of MPHA resident(s) desiring interviews were reviewed by the Contractor;



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- 3.1.3.5.4** The name(s) of the MPHA resident(s) that the Contractor contacted for an interview including the date, time, and method that such contact took place;
- 3.1.3.5.5** The results of the contact (specifically, did the interview take place; if so, when; if not, why);
- 3.1.3.5.6** Pertaining to any MPHA resident(s) who were not hired, the results of any tests and checking that the Contractor completed (especially any such results that prevented the resident(s) from being offered the position).

The undersigned hereby certifies that the above noted firm will abide by the terms and conditions of this Section 3 Plan as detailed herein.

**COMPLETED BY (Contractor):**

_____	_____	_____	_____
<b>Signature</b>	<b>Date</b>	<b>Printed Name</b>	<b>Title</b>