

INTRODUCTION

This contract (Contract) between Community Housing Resources (CHR) a Minnesota nonprofit corporation, duly created, organized and existing under the laws of the State of Minnesota, and _____ is hereby entered into this **xx day of January, 2022**.

Services pursuant to this contract shall begin once the CHR issues Contractor a Notice to Proceed and, unless sooner terminated pursuant to its terms, this Contract shall continue in full force and effect for a period of **12 months, from January xx, 2022 through January xx, 2023** thereafter (the “**Base Contract Term**”). The term “herein” as used throughout this Contract refers to this contact form and all listed Exhibits.

1.0 Services and Payment.

1.1 Scope of Services. The services provided under this contract generally consist of those services as described herein, specifically in the RFP. Said services shall be provided on an as needed basis as determined by CHR. CHR shall retain the right to implement and/or enforce any item issued as part of the RFP.

1.1.1 Changes by Contractor. The Contractor shall not make any changes to the Services without prior written consent of the CHR. The Contractor shall revise or correct any report, study, analysis, projection, plan, or other document or material submitted to the CHR pursuant to this Contract, until submitted in a form acceptable to the CHR.

1.2 Cost/Value of Services. The CHR shall pay the Contract for Services rendered on an hourly basis according to the appropriate task order and Exhibit A.

1.2.1 Contract Value. In consideration for the Contractor’s performance under this contract, the CHR agrees to pay the Contractor for initial closing and close out (Pricing Items #1 and #2), a firm-fixed price of:

1.2.2 Not to Exceed Amount. The current total Not-To-Exceed (NTE) value of this contract is:

The Contractor exceeds the NTE amount at its own risk. The Contractor is under no obligation to provide additional goods and/or services that would cause the Contractor’s fees to exceed the NTE amount without prior revision of this amount by written change order. Further, MPHA reserves the right to amend the NTE amount at any time during the ensuing contract period(s).

1.3 No Guarantee of Work. The Contractor shall perform the Services on an as-needed basis as determined by the CHR. The Contractor therefore acknowledges that it is not guaranteed a fixed amount of work pursuant to this Contract, and that the CHR may reduce or increase the estimated or actual quantity of Services, in any amount, without prejudice or liability to the CHR.

1.4 Time of Performance. The Contractor shall complete each task as assigned by the CHR. All services, documents, and information shall be provided as promptly as possible after the CHR’s

request. The Contractor shall proceed with the work in the sequence and order as the CHR my request.

- 1.5 Extension of Term.** The CHR may, at its sole discretion, elect to extend this Contract up to an additional 48 months beyond the Base Contract Term (the “**Contract Extension Term**”), provided the maximum term of the contract inclusive of all extensions does not exceed five years.
- 1.6 Exercise of Option to Extend.** The CHR may exercise its option to extend this Contract for the Contract Extension Term by delivering written notice to the Contractor of such exercise no less than ten (10) days before the expiration of the Base Contract Term.
- 1.7 Allowable Additional Costs.** In addition to payments indicated herein, the Contractor shall be reimbursed for Allowable Additional Costs on a direct cost basis with no additional provisions for overhead or fee. For the purposes of this Section, “**Allowable Additional Costs**” means costs for special printing and reproductions, special mailings (such as overnight delivery and messenger services) and any other out-of-pocket expenses approved in writing and in advance by the CHR. Allowable Additional Costs do not include meals, routine travel, or those costs considered to be overhead, such as in-house copying, routine telephone and facsimile charges, typist’s time, the purchase of general office or graphic supplies, etc.

2.0 Billing Method.

- 2.1** To receive payment for services rendered under this contract, Contractor shall submit a fully completed invoice for work previously performed to:

**Community Housing Resources
Attn: Accounts Payable, Suite 307
1001 Washington Ave N, Minneapolis, MN 55401
or: invoices@mplspha.org**

- 2.2** At a minimum, the invoice shall detail the following information: Contractor’s name, address and telephone number; date of invoice and/or billing period; applicable Contract number and Task Order; detailed description of Services rendered, including CHR address where work was performed (if applicable), the identity of personnel performing the work and their hourly rate, and the total hours being billed for each Service; and a detailed computer print-out or other equivalent back-up for any Allowable Additional Costs.
- 2.3** Any invoice received not properly completed will not be paid unless and/or until the Contractor complies with the applicable provisions of this Contract.
- 2.4** The CHR will pay each such properly completed invoice received on a Net/30 basis. No payment will be made for incomplete, inaccurate, or defective work until the work has been satisfactorily remedied at no additional cost to the CHR.

- 3.0 Compliance with Federal and State Laws.** All work performed by the Contractor pursuant to this Contract shall be done in accordance with all applicable Federal, State, and local Laws, regulations, codes, and ordinances.

4.0 Jurisdiction of Law. The laws of the State of Minnesota shall govern the validity, construction and effect of this contract, unless said laws are superseded by, or in conflict with applicable federal laws and/or federal regulations. This contract will be binding upon the parties, their heirs, beneficiaries, and devisees of the parties hereto. The parties agree that Hennepin County, Minnesota is the appropriate forum for any action relating to this contract. This contract may be signed in counterparts.

5.0 Insurance Requirements. The Contractor shall purchase and maintain insurance as required to protect the Contractor, the MPHA and the CHR from claims set forth in items 5.1 through 5.4 below that may arise out of, result from, or are in any manner connected with: (1) the execution of the work under this contract, or (2) occur or result from the use by Contractor, its agents or employees, of materials, equipment, instrumentalities or other property, whether the same be owned by CHR, Contractor, subcontractors or third parties. The insurance required hereunder shall be effective and apply whether such claims arise by Contractor or by anyone directly or indirectly employed by Contractor or by anyone for whose acts Contractor may be liable.

Contractor shall require its subcontractors, if any, to comply with all insurance requirements in this contract. Contractor shall at all times be responsible for determining and ensuring that its subcontractors are insured as required by the contract. The insurance required to be obtained under the contract shall be written for not less than the limits of liability specified below or required by law, whichever is greater. The types of claims, required coverages and minimum limits of liability are as follows:

5.1 General Liability Insurance. Claims for damages because of bodily injury, occupational sickness or disease, or death, by any person other than employees; claims for personal injuries which are sustained by (1) any person as a result of an act or omission directly or indirectly related to the employment of such person by Contractor, or (2) any other person; claims for damages because of injury to or destruction of tangible property including loss of use resulting therefrom. Insurance coverages shall include:

- Premises - Operations
- Blanket Contractual Liability
- Broad Form Property Damage
- Personal Injury
- Operations of Independent Contractors

| | | |
|----------------|-----------------|-------------|
| Policy Limits: | Personal Injury | \$1,000,000 |
| | Each Occurrence | \$1,000,000 |

Commercial General Liability insurance required under this paragraph shall be written on an occurrence form. **The \$1,000,000 policy limits may be a combination of underlying and excess liability (follows form) policies.**

5.2 Worker's Compensation Insurance/Employer's Liability. Claims under Contractor's Workers' Compensation disability benefit and other similar employee benefit acts; claims for damages because of bodily injury, occupational sickness or disease or death of employees. When required by law, insurance coverage shall include Statutory Workers' Compensation, including Employers Liability with a minimum limit of \$500,000 each accident, \$500,000 Disease-Policy Limit, \$500,000 Disease Each employee.

5.3 Professional Liability Insurance. Professional Liability Coverage for negligent acts, errors or omissions arising out of the performance of professional services included in this Contract in the minimum limit of liability of \$1,000,000 per occurrence and \$1,000,000 annual aggregate.

5.4 Automobile Liability Insurance. If the Contractor operates a motor vehicle in performing the Services under this Contract (i.e. drives on CHR property), the Contractor shall maintain Commercial Automobile Liability Insurance, including owned, hired, and non-owned automobiles, with a minimum combined single liability limit of \$1,000,000.

Failure to maintain the above-referenced insurance coverage, including naming the MPHA and the CHR as an additional insured (where appropriate) during the term(s) of this Contract shall constitute a material breach thereof. Insurance certificate(s)/endorsement(s) shall be delivered to the following person representing the Agency:

**Minneapolis Public Housing Authority
Attention: Molly Prahm, Buyer
1001 N. Washington Ave, Minneapolis, MN 55401**

6.0 Indemnity. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless MPHA/CHR and MPHA's/CHR's consultants, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from, or in any manner connected with, the performance under this contract, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Contractor, a subcontractor, or anyone directly employed by them.

7.0 Assumption of Risk. The Contractor agrees to provide the Services at its own risk and liability. The MPHA/CHR shall have no responsibility or liability for any loss or damage to personal property or fixtures of the Contractor of the Contractor's subcontractors, if any.

8.0 Notices, Reports, and Assignment of Task Orders.

8.1 Contractor shall not proceed with a Task Order without prior written approval from CHR's Executive Director and/or the person listed below. Also, all notices and/or reports submitted to the CHR by the Contractor shall be in writing and delivered to the attention of:

**Minneapolis Public Housing Authority
Attention: Brian Schaffer
1001 N. Washington Ave, Minneapolis, MN 55401**

or, if appropriate, e-mailed to: BSchaffer@mplspha.org.

8.2 All notices submitted to the Contractor pursuant to this contract shall be in writing emailed to:

Attention: _____

or, if appropriate, e-mailed to: @TBA.com.

9.0 Termination, Default, and Remedies. The CHR may cancel this Contract for any reason without cause upon thirty (30) days' written notice. Upon CHR's consent, the Contractor may cancel the contract without cause upon (30) days' written notice. Both the CHR and the Contractor may terminate this Contract upon sixty (60) days' notice if either party fails to fulfill its obligations under the Contract in a proper and timely manner, or otherwise violates the Terms of this Contract. The non-defaulting party shall have the right to terminate this Contract, if the default has not been cured after ten (10) days' written notice or such other reasonable time period to cure the default has been provided. If termination shall be without cause or for breach by CHR, the CHR shall pay the Contractor all compensation earned to the date of termination. If the termination shall be for breach of this Contract by the Contractor, the CHR shall pay the Contractor all compensation earned prior to the date of termination minus any damages and costs incurred by the CHR as a result of the breach. If the Contract is cancelled or terminated, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports, or other materials prepared by the Contractor under this Contract shall, at the option of the CHR, become the property of the CHR, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

Notwithstanding the above, the Contractor shall not be relieved of liability to the CHR for damages sustained by the CHR as a result of any breach of this Contract by the Contractor. The CHR may, in such event, withhold payments due to the Contractor for the purpose of set-off until such time as the exact amount of damages due the CHR is determined. The rights or remedies provided for herein shall not limit the CHR, in case of any default by the Contractor, for asserting any other right or remedy allowed by law, equity, or by statute. The Contractor has not waived any rights or defenses in seeking any amounts withheld by the CHR or any damages due the Contractor.

10.0 Documents.

10.1 Ownership of Documents. All the documents, including, but not limited to surveys, manuals, reports, plans, studies, analyses, projections specifications, and other materials prepared or collected by the Contractor in the performance of the Services shall be the property of CHR. The CHR may use any and all such materials for such purposes and so often as CHR desires, either in whole or in part, or in modified form, without further employment of the Contractor or additional compensation, therefore. The Contractor shall take no action in derogation of the rights of the CHR to ownership of such property and shall take all reasonable actions necessary to protect such rights.

10.2 Record Retention. The Contractor shall retain financial records, supporting documents, statistical records and all other records pertinent to the services provided and expenditures made under this Contract for a period of six (6) years following the end of the Contract. Records relating to audit findings shall be retained for six (6) years after such findings have been resolved. Records for non-expendable property acquired with funds under this Contract shall be retained for six (6) years after final disposition of such property. All accounting records, including supporting documents pertaining in whole or in part to the contract, shall be readily accessible to the Agency upon written request. If the Contractor's entity is dissolved, the Agency shall take into custody the original and authorized duplicates of documents described above.

11.0 State and Federal Data Privacy Statement. Contractor may have access to information or data that is classified as "private, confidential, not-public or non-public" under the Minnesota Government Data Practices Act and applicable Federal law. Contractor must maintain the confidential nature of any data or information received while providing services. The unauthorized disclosure of "private, confidential, not-

public or non-public" data is subject to civil and criminal penalties under the Minnesota Government Data Practices Act and applicable Federal law.

12.0 Additional Considerations.

- 12.1 Modification.** This contract shall not be modified, revised, amended or extended except by written change order, executed by both parties.
- 12.2 Severability.** The invalidity of any provision of this contract, as determined by a court of competent jurisdiction and/or HUD, shall in no way affect the validity of any other provision.
- 12.3 Independent Contractor.** The Contractor is an independent contractor. Nothing herein shall create any association, agency, partnership or joint venture between the parties and neither shall have any authority to bind the other in any way.
- 12.4 Waiver of Breach.** The failure of either party to insist upon the other party's strict performance of the covenants, conditions, or respective obligations and duties or to exercise any option, remedy or right under this Contract shall not operate as a waiver of the party's rights in the future to demand strict performance of any covenant, term, or condition or to exercise any option, remedy or right under this Contract by law or equity, all of which shall still remain in full force and effect. A party's waiver of a covenant, term, or condition of this Contract shall not be a waiver of a subsequent breach of the same covenant, term, or condition. A party's required consent or approval to the act of the other party shall not be a waiver of the waiving party's consent or approval to a subsequent or similar act. A part shall not waive the breach of a covenant, term, or condition of this Contract until the waiving party signs and designates the waiver in writing.
- 12.5 Time of the Essence.** Time is of the essence as to each contract provision in which time of performance is a factor.
- 12.6 Entire Agreement.** This Contract, including all Exhibits, contains the entire understanding between the parties and supersedes any prior understanding and/or agreement regarding the subject matter of this Contract. Any amendments to this Contract must be in writing and signed by the parties.
- 12.7 Work on CHR Property.** If the Contractor's Services involve work on CHR property, the Contractor shall take all necessary precautions to prevent the occurrence of any injury to persons or property during the progress of such work and, except to the extent that any such injury is caused solely and directly by the CHR's negligence, shall indemnify the CHR, and its officers, agents, servants, and employees against all loss which may result in any way from any act or omission of the Contractor, its agents, employees, or subcontractors.
- 12.8 Limitation of Liability.** In no event shall CHR be liable to Contractor for any indirect, incidental, consequential, or exemplary damages.
- 12.9 Equal Opportunity.** CHR values resident participation and employment in its contracting. The Contractor shall comply with all applicable equal opportunity and affirmative action laws, directives, and regulations of the federal, state, and local governing bodies or agencies. These include Executive Order 11246 titled "Equal Employment Opportunity" and as amended.

- 12.10 Subcontractors.** None of the Services covered by this Contract shall be subcontracted without the prior written consent of the CHR. The Contractor shall be as fully responsible to the CHR for the acts and omissions of persons directly or indirectly employed by then as he/she is of the acts and omissions of persons directly employed by him/her.
- 12.11 Assignability.** Contractor shall not assign any interest or transfer any interest whether by assignment or novation under this Contract without the prior written approval of CHR. A violation of this section is invalid as against CHR.
- 12.12 Findings Confidential.** All of the reports, information, studies, submissions, and/or data prepared or assembled by the Contractor under this Contract are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the CHR.

13.0 Section 3 Clause. As detailed in 24 CFR 75.17, *Section 3 clause*, the following clauses are included as part of this contract.

- 13.1** Section 3 of the Housing and Urban Development Act of 1968 - ("Section 3") as described in Part 75 - Economic Opportunities for Low- And Very Low-Income Persons - provides that economic opportunities, most importantly employment, generated by certain U.S. Department of Housing and Urban Development ("HUD") financial assistance must be directed to low- and very low-income persons, particularly those who are either recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.
- 13.2** The procurement that is the subject of this solicitation ("project") will be funded using federal Public Housing Financial Assistance and is subject to Section 3 regulations. As such, this solicitation and the resulting contract award will be required to comply with Section 3 regulations and MPHA's Section 3 Policy.
- 13.3** As outlined in Appendix 11 – Section 3 Compliance Report, submit quarterly this compliance report. This report requires the Contractor to provide on a quarterly basis the total number of hours worked on MPHA projects for all workers, the number of hours worked on MPHA projects by Section 3 workers, the number of hours worked on MPHA projects by Targeted Section 3 workers and any qualitative efforts undertaken to help achieve compliance with the benchmark requirements. The benchmark requirements are 25% of the total labor hours worked on MPHA projects must be worked by Section 3 workers, of which 5% must be worked by Targeted Section 3 workers. Failure to submit this report will constitute a material breach of this contract which may result in termination for cause and/or withholding of payments until reports are completed and submitted in a satisfactory manner, as deemed by MPHA.

13.0 Appendices.

- 13.1** The following documents are placed under the noted appendices and are a part of this Contract:
- 13.1.1 Contract Appendix 1.** HUD Table 5.1, Mandatory Contract Clauses for Small Purchases other than Construction;
- 13.1.2 Contract Appendix 2.** State and Federal Data Privacy Statement;
- 13.1.3 Contract Appendix 3.** Section 3 Worker Certification Form;

13.1.4 Contract Appendix 4. Section 3 Compliance Report.

14.0 CERTIFICATIONS. The undersigned representative of each party hereby acknowledges by signature below that they have authority to enter into the contract for their respective entity, have reviewed the foregoing, and understand and agree to abide by their respective obligations as defined herein:

Contractor:

By: _____ **Date:** _____
Contractor Signatory

**Community Housing Resources,
a Minnesota nonprofit corporation**

By: _____ **Date:** _____
**Abdulkadir Yassin Warsame
President**

Contract No. 22.xxx, Accounting Services for Family Housing Expansion
Table 5.1 of HUD Procurement Handbook 7460.8 REV 2
Mandatory Contract Clauses for Small Purchases other than Construction

The following contract clauses are required in contracts pursuant to 24 CFR 85.36(i) and Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. HUD is permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy. The PHA and contractor is also subject to other Federal laws including the U.S. Housing Act of 1937, as amended, Federal regulations, and state law and regulations.

Examination and Retention of Contractor's Records. The PHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until three years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

Right in Data and Patent Rights (Ownership and Proprietary Interest). The PHA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by Contractor pursuant to the terms of this Contract, including, but not limited to, reports, memoranda or letters concerning the research and reporting tasks of the Contract.

Energy Efficiency. The Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

Procurement of Recovered Materials

(a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

(b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Termination for Cause and for Convenience (contracts of \$10,000 or more).

(a) The PHA may terminate this contract in whole, or from time to time in part, for the PHA's convenience or the failure of the Contractor to fulfill the contract obligations (cause/default). The PHA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the PHA all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.

(b) If the termination is for the convenience of the PHA, the PHA shall be liable only for payment for services rendered before the effective date of the termination.

(c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (cause/default), the PHA may (1) require the Contractor to deliver to it, in the manner and to the extent directed by the PHA, any work described in the Notice of Termination; (2) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the PHA; and (3) withhold any payments to the Contractor, for the purpose of set-off or partial payment, as the case may be, of amounts owned by the PHA by the Contractor. In the event of termination for cause/default, the PHA shall be liable to the Contractor for reasonable costs incurred by the Contractor before the effective date of the termination. Any dispute shall be decided by the Contracting Officer.

MPHA Contract No. 22.xxx
State and Federal Data Privacy Statement

The undersigned vendor and a person performing services under Contract No. 22.xxx may have access to MPHA data that is classified private data under the Minnesota Government Data Practices Act, Minn. Stat. §13.01 et. al. and applicable federal law.

Data about tenants or program participants, including but not limited to their names, unit numbers and property addresses, except for highrise buildings, are benefit data and private. See Minn. Stat. §13.462. Vendor will ensure that persons who receive private data will protect the status of data. The unauthorized disclosure of private data is subject to civil and criminal penalties.

Vendor will ensure that persons who have access to private data will comply with state and federal law. No one shall obtain, access, view, disclose or reproduce the private data for any purpose except when needed to perform this contract.

Vendor will return to MPHA or confidentially destroy all copies of private data when no longer necessary to perform the contract.

Vendor will not disclose the private data to an Unauthorized Person. An Authorized Person is a person who accesses the private data without a work assignment that reasonably requires the data or regardless of work assignment for a purpose not authorized by Minn. Stat. § 13.05 subd. 5.

Vendor will prevent a Breach of Security. A Breach of Security means the unauthorized acquisition (as defined in Minn. Stat. § 13.055) of MPHA private data that compromises the security and classification of the data. If a Breach of Security occurs Vendor will comply with the notice and report procedures in Minn. Stat. § 13.055.

Date: _____

Print Name of Vendor

By: _____
Print Name

Its: _____
Print Title

Signature: _____

SECTION 3 WORKER CERTIFICATION FORM (24 CFR §75)
(Public Housing Financial Assistance Programs Only)



PART I: EMPLOYEE INFORMATION (to be completed by the worker)

| | | | | | |
|---------------------------------|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Name: | Hiring Priority (check the applicable box) | | | | |
| Address: | <input type="checkbox"/> P1: Resident of MPHA's public housing project where the work is performed; | | | | |
| | <input type="checkbox"/> P2: Residents of other projects managed by MPHA; | | | | |
| Phone Number: | <input type="checkbox"/> P3: Participants in YouthBuild programs; and | | | | |
| | <input type="checkbox"/> P4: Other low- and very low-income person residing within the Minneapolis metropolitan area. | | | | |
| Gender: | Age Group: | 18-24 | 25-34 | 35-44 | 45-64 |
| How did you hear about the job? | Email Address: | | | | |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Are you a Trade Union member? If yes, state: Name: _____ Enrollment Date: _____ | | | | |

SECTION 3/TARGETED SECTION 3 WORKER INFORMATION

- 1. Based on the below definition, do you qualify as a Section 3 Worker?** Yes No
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:
 The worker's income for the previous or annualized calendar year is below the income limit established by HUD (maximum of \$55,950 per worker in 2021. See <https://mphaonline.org/> for more information).
 The worker is employed by a Section 3 business concern.
 The worker is a YouthBuild participant.
- 2. Based on the below definition, do you qualify as a Targeted Section 3 Worker?** Yes No
A Targeted Section 3 worker for public housing financial assistance is a Section 3 worker who:
 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:
 i. A resident of public housing 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.

By signing below, I hereby certify and declare under penalty of perjury under the laws of the United States and the State of Minnesota that the above information is true and correct, and further agree to provide the Minneapolis Public Housing Authority with documentation verifying my Section 3 eligibility upon request.

Worker Signature: _____ **Date:** _____

PART II: EMPLOYER AND PROJECT INFORMATION (to be completed by the employer)

| | | |
|--|---|--|
| Employer Name: | MPHA Contract Number and Project Description: | Total Hours Worked by this Worker on this Project: |
| Work Location: | Position/Job Title: | Pay Rate: |
| Permanent: YES <input type="checkbox"/> NO <input type="checkbox"/> | Hire Date: | End Date: |
| Does your business qualify as a Section 3 Business based on definition in 24 CFR Part 75.5? YES <input type="checkbox"/> NO <input type="checkbox"/> | | |

By signing below, I hereby certify and declare under penalty of perjury under the laws of the United States and the State of Minnesota that, based upon Company's payroll records and personnel file, the information provided above is true and correct, and that I am authorized on behalf of the Company to make this certification.

Employer Contact Name: _____ **Tel/Email:** _____

Signature: _____ **Date:** _____

MPHA has determined the disclosure of this document, which includes the home address and private financial information of a public housing resident, would constitute an unwarranted invasion of personal privacy per Government Code section 6254(c), and therefore exempts this record from disclosure under the Minneapolis Public Records Act.



SECTION 3 COMPLIANCE REPORT FORM

(Public Housing Financial Assistance Programs)

REPORT DATE: _____

| VENDOR NAME | PROJECT DESCRIPTION | MPHA CONTRACT NUMBER |
|--------------------------|-----------------------|----------------------|
| | | |
| Point of Contact / Title | Telephone | E-mail |
| | | |
| Work /Project Start Date | Work/Project End Date | Notes |
| | | |

This form should be completed by all vendors, contractors and service providers who have a contract with the Minneapolis Public Housing Authority that is subject to Section 3 requirements per 24 CFR Part 75 and/or MPHA’s Section 3 Policy and Compliance Plan. **Complete this form in its entirety, and attach the following supporting documentation: Section 3 Worker and Targeted Section 3 Worker Certification forms, payroll information supporting labor hour benchmark data, certification that you followed order of hiring priority, evidence of qualitative efforts made to comply with Section 3 and other supporting documents as applicable.**

You may attach a letter to this report if needed to further state your efforts, achievements or obstacles encountered.

Submit this form at completion of your work or by the 5th of each quarter (April, July, October, January) for work completed in the previous quarter, unless agreed otherwise with the Section 3 Compliance Administrator. Questions and assistance with requirements and reporting can be sent to LCreamer@mplspha.org

GENERAL GUIDANCE AND DEFINITIONS

Section 3 of the Housing and Urban Development Act of 1968 (codified at 12 U.S.C. 1701u and implemented at 24 CFR Part 75, hereinafter, "Section 3"), as amended, requires that economic opportunities, most importantly employment, generated by certain U.S. Department of Housing and Urban Development (“HUD”) financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, or residents of the community in which the Federal assistance is spent.

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:

1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD. (Note: Income is considered for the worker only and not based on household)
2. The worker is employed by a Section 3 business concern.
3. The worker is a YouthBuild participant.

A Targeted Section 3 worker for public housing financial assistance 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 public housing 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.

BENCHMARK GOALS

1. **25 percent** or more of the total number of labor hours worked by all workers on the project employed with public housing financial assistance in MPHA's fiscal year are **Section 3 Workers**; and
2. **5 percent** or more of the total number of labor hours worked by all workers on the project employed with public housing financial assistance in MPHA's fiscal year are **Targeted Section 3 Workers**.

HUD INCOME LIMITS

Low- and very low-income limits are defined in Section 3(b)(2) of the Housing Act of 1937 and are determined annually by HUD. These limits are typically established at 80 percent and 50 percent of the area median individual income. Most recent HUD income limits may be obtained from:

<https://www.huduser.gov/portal/datasets/il/il2021/2021summary.odn>

Income Eligibility Guideline: FY 2021 Minneapolis HUD Income Limits
Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area

| | |
|-----------------------------|---------------------------|
| Very Low (50%) Income Limit | No more than \$ 36,750 or |
| Low (80%) Income Limit | No more than \$ 55,950 |

Note: a Section 3 worker can be either a very low or low-income individual.

HIRING PRIORITIES

Employment and training opportunities created by **public housing financial assistance** shall be given to Section 3 Workers in the following order of priority:

- **P1:** To residents of the public housing projects for which the public housing financial assistance is expended;
- **P2:** To residents of other public housing projects managed by MPHA or for residents of Section 8-assisted housing managed by MPHA;
- **P3:** To participants in YouthBuild programs; and
- **P4:** To low- and very low-income persons residing within the metropolitan area in which the assistance is expended.

Part I: WORKFORCE COMPOSITION

| Total Number of <u>All Workers</u> who worked on the Project | Total Number of <u>Section 3 Workers</u> who worked on the Project | Total Number of <u>Targeted Section 3 Workers</u> who worked on the Project |
|--|--|---|
| | | |

Part II: LABOR HOUR BENCHMARKS (25% and 5% goal)

Report labor hours worked on this project broken down by ALL Workers, Section 3 Workers and Targeted Section 3 Workers.

| Labor Hours on the Project for <u>ALL Workers</u> | Labor Hours on the Project for <u>Section 3 Workers</u> | Labor Hours on the Project for <u>Targeted Section 3 Workers</u> |
|---|---|--|
| | | |

Attach documents supporting the data provided in this section and check the boxes below:

- LCP Tracker report certifying labor hours worked
- Other salary-based or time-and-attendance payroll records certifying labor hours

Part III: SUBCONTRACTORS

Did you have any subcontractors who performed work on this contract?

- YES** **NO** (If **yes**, complete the table below and attach this same report form for each of the subcontractors to identify their hiring and labor hours)

| Subcontractor Name | Trade | Subcontract Amount | Start Date | End Date | Business Certification (MBE, WBE, SBE, Section 3) |
|--------------------|-------|--------------------|------------|----------|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Part IV: QUALITATIVE EFFORTS (24 CFR Part 75.15)

Check the boxes that apply to demonstrate your good faith efforts to satisfy your section 3 obligations.

- Engaged in outreach efforts to generate job applicants who are Targeted Section 3 Workers, including notifying MPHA’s Section 3 team, posting job openings at the job site, HUD Opportunity Portal, social media pages, contacting Resident Advisory Councils, and other platforms;
- Contacted agencies administering Minneapolis YouthBuild Programs, and requesting their assistance in recruiting Minneapolis YouthBuild Program participants for training opportunities and employment positions;
- Consulted with state and local agencies administering training programs, such as those funded through Workforce Investment Act, unemployment compensation programs, community organizations and other officials or organizations to assist with training and recruiting Section 3 Workers and TargetedSection 3 Workers;
- Held job fairs;
- Provided or connecting Section 3 Workers and Targeted Section 3 Workers with assistance in seeking employment, including: drafting resumes, preparing for interviews, and finding job opportunitiesconnecting residents to job placement services;
- Provided or referring Section 3 Workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care);
- Assisted Section 3 Workers to obtain financial literacy training and/or coaching;
- Engaged in outreach efforts to identify and secure bids from Section 3 Business Concerns.
- Provided technical assistance to help Section 3 Business Concerns understand and bid on contracts;Divided contracts into smaller jobs to facilitate participation by Section 3 Business
- Concerns; Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 Business Concerns;
- Promoted use of Section 3 Business Registries designed to create opportunities for Section 3, disadvantaged and small businesses.

Part V: NOTES AND COMMENTS (If needed, attach additional sheets)

By signing below, I hereby certify and declare under penalty of perjury under the laws of the United States and the State of Minnesota that the information provided on this form, as well as all documentation provided in support thereof, are true and correct, and that I am authorized on behalf of the Company to make this certification. Furthermore, I certify that I will maintain this documentation for the time period required for record retentions in accordance with applicable program regulations or, in the absence of applicable program regulations, in accordance with 2 CFR part 200. I will make these records available to MPHA and/or HUD upon request.

Signature

Name and Title

Date

ADDITIONAL GUIDANCE FOR CONTRACTORS AND VENDORS

RECORDKEEPING: 24 CFR Part 75.31

Contractors, subcontractors and other recipients or sub-recipients must maintain documentation to ensure that workers meet the definition of a Section 3 Worker or Targeted Section 3 Worker as follows:

For a worker to qualify as a Section 3 worker, one of the following must be maintained:

1. A worker's self-certification that their income is below the income limit from the prior
2. calendar year;
3. A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
4. Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
5. An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or
6. An employer's certification that the worker is employed by a Section 3 business concern.

For a worker to qualify as a Targeted Section 3 worker, under Public Housing Assistance Programs one of the following must be maintained:

1. A worker's self-certification of participation in public housing or Section 8-assisted housing programs;
2. Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
3. An employer's certification that the worker is employed by a Section 3 business concern; or
4. A worker's certification that the worker is a YouthBuild participant.

OTHER

- A contractor/vendor may report on Section 3 workers and Targeted Section 3 workers for five years from when their certification as a Section 3 worker or Targeted Section 3 worker is established.
- Income limits are individual and not household.
- MPHA's Section 3 Worker Certification Form can be used to establish eligibility as a Section 3 Worker and Targeted Section 3 Worker.
- To calculate the labor hour benchmark, see the graphics below:



- See HUD's Section 3 Regulation codified at 24 CFR Part 75, Labor Hour Benchmarks and FAQ at <https://mphaaonline.org/careers/section-3/>
- Questions about MPHA's Section 3 program or completing this form can be directed to MPHA's Section 3 Coordinator at LCreamer@mplspha.org