

SECTION 3 PLAN
(Subrecipient / Developer and General Contractor)
(HUD Regulation, 24 CFR Part 75)

Construction Project	
Name of Project	
Address of Project	
Name of Neighborhood Where Project Resides <i>(Primary focus area for outreach attempts)</i>	

Submitted by			
Name of Subrecipient or Developer			
Business Address, City, State, & Zip			
Business Phone Number		Business Website	
Primary Contact Name			
Primary Contact Phone Number		Email	
For Federal Government Reporting Purposes – Principal Owner (51% or more) (Check ALL applicable boxes)			
<input type="checkbox"/> For-profit business	<input type="checkbox"/> Non-profit business	<input type="checkbox"/> Certified Section 3 business	
<i>If business is controlled with a board of directors, then check applicable boxes of board at 51% or more</i>			
<input type="checkbox"/> Female	<input type="checkbox"/> African American / Black	<input type="checkbox"/> Caucasian / White	<input type="checkbox"/> Hispanic
<input type="checkbox"/> Male	<input type="checkbox"/> Asian / Pacific	<input type="checkbox"/> Hasidic Jews	<input type="checkbox"/> Native American / Eskimo

Name of General Contractor			
Business Address, City, State, & Zip			
Business Phone Number		Business Website	
Primary Contact Name			
Primary Contact Phone Number		Email	
For Federal Government Reporting Purposes – Principal Owner (51% or more) (Check ALL applicable boxes)			
<input type="checkbox"/> For-profit business	<input type="checkbox"/> Non-profit business	<input type="checkbox"/> Certified Section 3 Business	
<i>If business is controlled with a board of directors, then check applicable boxes of board at 51% or more</i>			
<input type="checkbox"/> Female	<input type="checkbox"/> African American / Black	<input type="checkbox"/> Caucasian / White	<input type="checkbox"/> Hispanic
<input type="checkbox"/> Male	<input type="checkbox"/> Asian / Pacific	<input type="checkbox"/> Hasidic Jews	<input type="checkbox"/> Native American / Eskimo

Project Section 3 Contact Person	
The Developer and General Contractor’s Section 3 contact person will serve as the main point of contact for all Section 3 related information and issues on behalf of the developer, general contractor, and subcontractors.	
Section 3 Coordinator Name	
Section 3 Coordinator Contact Number	
Section 3 Coordinator Email Address	

For Internal Use Only			
CDBG \$	HOME \$	Other (please specify):	
CPO#	CPA#	Other Amount \$	

General Statement

_____ and _____
(subrecipient or developer) (general contractor)

will review and are committed to comply with the Section 3 Regulation and the Housing and Revitalization Department (HRD) Section 3 policy, guidelines and all companion documents. It is our desire to work together to ensure compliance, to the greatest extent feasible, through the awarding of any contracts for work and services to Section 3 companies, and to provide employment and training to Section 3 workers and Targeted Section 3 workers. We commit to include Section 3 language in all construction contracts and subcontracts. All subcontractors interested in submitting bids for contracts will be informed of the Section 3 requirements.

Compliance and Benchmarks

The above recipients will be considered to have complied with the Section 3 requirements, if prioritization can be verified via the outreach efforts and met (or exceeded) the benchmarks. If the benchmarks are not met, then a qualitative report must be submitted regarding the outreach activities per project. Such activities are listed under "Outreach Efforts". *Please refer to the HRD Section 3 Policy and other companion documents, and/or Section 3 regulation for definitions and detailed information.*

Employment and Training

To demonstrate compliance with HRD Section 3 Program, the best efforts to provide employment and training opportunities to Section 3 workers residing in the City of Detroit in the priority order listed below, where feasible:

1. Section 3 workers residing within the service area or the neighborhood of the project, and
2. Participants in Youthbuild programs.

Note - The Section 3 worker must also reside within the City of Detroit and their income limit is based on the HUD Metro Detroit AMI, <https://www.huduser.gov/portal/datasets/il.html>. The City of Detroit is part of the Detroit-Warren-Livonia, MI HUD Metro area. The income limits are updated each fiscal year. The City of Detroit's fiscal year is July 1 through June 30, for example July 1, 2021 through June 30, 2022.

Contracting

To demonstrate compliance with HRD Section 3 Program, the best efforts to award contracts and subcontracts to business concerns that provide economic opportunities to Section 3 workers residing in the City of Detroit in the following order or priority, where feasible:

1. Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project, and
2. Youthbuild programs.

Note - Service area or the neighborhood of the project means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census (§75.5).

Section 3 Workers Benchmark

Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and

Targeted Section 3 Workers Benchmark

Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers.

Outreach Efforts *(both Outreach tables must be completed)*

Indicate the efforts that will be made to notify Section 3 workers and Targeted Section 3 workers for training and employment opportunities and Section 3 business concerns for contracting opportunities generated by this HUD financial assistance project. **All efforts must be documented.** Submit copies of all publications, notices, pictures of posted notices, and any other outreach material utilized. Also, include informational lists of all Section 3 workers, Targeted Section 3 workers and Section 3 business concerns that responded to your outreach efforts.

Efforts to offer training and employment opportunities to individuals that may meet the Section 3 worker and Targeted Section worker requirements	Yes	No	Projected Timing
1. Notify the HRD Section 3 Program office when training opportunities are available			
2. Engage in outreach efforts to generate job applicants			
3. Provide training or apprenticeship opportunities and prepare information to be distributed			
4. Clearly indicate Section 3 eligibility on all job postings with the following statement: "This job is a Section 3 eligible job opportunity. We encourage applications from individuals that are low income and/or live in Public Housing and/or receive a Section 8 voucher."			
5. Include the Section 3 worker and Targeted Section 3 worker certification form in all job postings			
6. Contact, coordinate, and advertise with unions and local community organizations, provide them with job postings for Section 3 eligible applicants and request their assistance in notifying residents of available training and employment opportunities			
7. Coordinate and advertise job opportunities via social media – LinkedIn, Facebook, Instagram, TikTok, etc.			
8. Coordinate and advertise job opportunities via flyer distributions, mass mailings and posting ad in common areas of housing developments and all public housing management offices			
9. Option Removed			
10. Establish a current list of Section 3 eligible applicants			
Provide technical assistance to help Section 3 workers and Targeted Section 3 workers compete for jobs (e.g., resume assistance, coaching)			
12. Provide or connect Section 3 workers and Targeted Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services			
13. Held one or more job fairs.			
14. Provide or refer Section 3 workers and Targeted Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care)			
15. Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training			
16. Assisted Section 3 workers to obtain financial literacy training and/or coaching			

Further explain the above outreach efforts and any additional outreach efforts not listed:

Place initials here to affirm the outreach efforts: (Owner/Developer) _____ (General Contractor) _____

Efforts to offer contracting opportunities to businesses that may meet the Section 3 business concern requirements	Yes	No	Projected Timing
17. Engage in outreach efforts to identify and secure bids from Section 3 business concerns			
18. Advertise contracting opportunities in local community paper and notices that provide general information about work to be contracted and where to obtain additional information			
19. Provide written notice of contracting opportunities to all known Section 3 business concerns with sufficient time to enable business concerns the opportunity to respond to bid invitations			
20. Option Removed			
21. Coordinate with all business assistance agencies and contractor associations to inform them of contracting opportunities and request their assistance in identifying Section 3 business concerns including local community development organizations, business development agencies, and minority contracting associations			
22. Add Section 3 language to all RFPs, procurement documents, bid offerings and contracts			
23. Notify the HRD Section 3 Program office upcoming pre-bid meetings			
24. Coordinate mandatory pre-bid meetings to inform Section 3 business concerns of upcoming contracting opportunities			
25. Divide contracts into smaller jobs to facilitate participation by Section 3 business concerns			
26. Contact businesses with resources to support business development to assist in obtaining contract opportunities			
27. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns			

Further explain the above outreach efforts and any additional outreach efforts not listed:

Place initials here to affirm the outreach efforts: (Owner/Developer) _____ (General Contractor) _____

All Subrecipients & Contract Awardees - Required Information and HUD Section 3 Language

All subrecipients and contract awardees are required to meet at least the minimum HUD Section 3 benchmark goals. As a subrecipient and contract awardee, Section 3 is a requirement regardless of the Section 3 language included in agreements, program regulatory agreements, or contracts (§75.27). All parties are encouraged to review the Section 3 information and documentation on the Housing and Revitalization Department Section 3 Program web page, <https://detroitmi.gov/departments/housing-and-revitalization-department/hud-programs-and-information/section-3-program>.

Section 3 Language – 24 CFR Part 75

All HUD Section 3 covered contracts shall include the following language:

- A.** The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very-low income persons.
- B.** The Parties to this contract agree to comply with HUD’s regulation in 24 CFR Part 75 and Housing and Revitalization Department (HRD) policy and guidelines, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediments that would prevent them from complying with the Part 75 regulation.
- C.** The contractor agrees to include this Section 3 language in every subcontract subject to compliance with HUD’s regulation in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 language, upon a finding that the subcontractor is in violation of HUD’s regulation in 24 CFR Part 75 and HRD’s policy and guidelines. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulation, 24 CFR Part 75.
- D.** Noncompliance with HUD’s regulation in 24 CFR Part 75 and HRD’s policy and guidelines may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

If we do not feel it is feasible to meet the minimum goals set forth above, we will be prepared to demonstrate why it was not possible. We understand failure to follow our Section 3 Plan outreach efforts could result in the HUD-Detroit office finding us non-compliant with the Section 3 regulation.

I/We, being a duly authorized representative of the applicant, do hereby attest that the statements, documents, and responses provided in and with this HRD Section 3 Plan are true and correct to the best of my knowledge. I understand that I am making this statement subject to the penalties of perjury. I/We further understand that HRD reserves the right to request additional information in order to clarify and verify any information related to the Section 3 process.

Name of Applicant (Business): _____

Print Name of Authorized Representative: _____

Signature of Authorized Representative: _____

Authorized Representative’s Title: _____ Date of Signature: _____