

HOUSING AUTHORITY OR CITY of _____
 Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

PRIME/GENERAL CONTRACTOR'S NAME: _____

RFP/IFB/RFQ/CONTRACT or PO NUMBER: _____ DATE FORM COMPLETED: _____

PROJECT TITLE: _____

CONTACT NAME/TITLE: _____

E-MAIL ADDRESS _____

**PLEASE READ CAREFULLY AND SIGN THE ACKNOWLEDGMENT ON PAGE 4
 PRIOR TO COMPLETING AND SUBMITTING THE UTILIZATION PLAN**

Overview:

The contractor hereby agrees to comply with all the provisions of Section 3 as set forth in 24 CFR 135 and the (HA OF CITY's Section 3 Policy. The Contractor hereby submits the Utilization Plan to identify employment, subcontracting, and other opportunities for Housing Authority or City residents and low-income residents during the term of the contract between the Contractor and (HA or CITY. Any changes to this Utilization Plan must be approved by the Contract Compliance Specialist, via an amended Utilization Plan and Section 3 Change Form, when requested.

| Type of Contract | Contract Amount | Section 3 Requirements | | |
|---|----------------------|------------------------|---------------------------------------|------------------------------|
| | | Hiring | Contracting | Other Economic Opportunities |
| Construction | 30% of all new hires | | 10% <i>of total contract value</i> | See instructions |
| Other Contracts <i>Including Professional Services</i> | 30% of all new hires | | 3% <i>of total contract value</i> | See instructions |

HOUSING AUTHORITY OR CITY of _____
Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Instructions:

Part I: Hiring

- Per 24 CFR 135.30, Section 3 requires at least 30% of the contractor's new hires be Section 3 residents.
- The prime contractor is required to fill out the Table I.b. Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors in Part I: Hiring. This chart includes Section 3 hires, AS WELL AS all other non-section 3 hires for the scope of work.
- Table I.a. SAMPLE Hiring Chart Entire Workforce for both Prime and all Subcontractors is provided to you as a sample.
- Table I.b. Hiring Chart Entire Workforce for both Prime and all Subcontractors will require you to indicate the total workforce that you and your subcontractors already have in place and those you need to hire. You will need to list their (1) Job Titles, (2) Total Employees Needed at each Job Title, (3) Total Number of Employees Currently Employed at each Job Title, (4) Total New Hires Needed for each Job Title, (5) Total Section 3 Hires for each Job Title, (6) Total Columns (1) through (5) individually, and (7) Total New Section 3 Hires Required and (8) Percentage of New Hires that are Section 3.
- By filling out the hiring chart, the Contractor affirms that the jobs identified for Section 3 residents shall be for meaningful employment.
- A Prime Contractor may satisfy the (HA OF CITY Resident Hiring Requirements through the hiring of Section 3 residents through his/her subcontractors.
- The Hiring Chart must be completed in its entirety, including a response for each column, in addition to proper calculations in each field where totals are required.
- If any proposed Section 3 positions cannot be filled, a Section 3 Change Form is required under the Section 3 Policy.
- Prime Contractors and Subcontractors are required to use (HA OF CITY's Section 3 Job Opportunities website to fill all Section 3 positions.

Part II: Contracting

- Per 24 CFR 135.30, Section 3 requires Construction contracts to subcontract at least 10% of the work to Section 3 Business Concerns and 3% of the work for all Other Contracts.
- *The definition of 'Section 3 Business Concern' under HUD Regulations is:*
 - (1) 51 percent or more owned by section 3 residents; or
 - (2) Whose 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; or
 - (3) That provides 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."
- Section 3 subcontracting refers to direct participation (only subcontracts for work that is included in the scope of the project).
- Contractors shall direct their efforts to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 Business Concerns in the order of priority provided in 24 CFR 135.36.
- The Prime Contractor is required to fill out the contracting information in Table II: Contracting Commitments, Table II.a.: Section 3 Business Concern Contracts, Table II.b.: Contracting Shortfall (if necessary), and/or Table II.c.: Outreach Efforts (if necessary) of Part II.
- Table II: Contracting Commitments requires you to indicate the Total Dollar Value being subcontracted to Section 3 Business Concerns and the percentage of the total contract value, to which the total of all Section 3 Business Concern subcontracts is equivalent.

HOUSING AUTHORITY OR CITY of _____
Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

- Table II.a. Section 3 Business Concern Contracts requires you to identify each Section 3 Business Concern that will hold a subcontract under this Contract. The Company's Name, Contract Value, and Scope of Work to be Performed must be identified for the plan to be considered complete.
- Table II.b. Contracting Shortfall or Table II.c. Outreach Efforts must be completed when the Prime Contractor is unable to meet the full minimum subcontracting requirements under 24 CFR 135.
 - When there is no plan or need to subcontract, please outline the reason(s) why in Table II.b. Contracting Shortfall
 - If the prime contractor is unable to contract to a Section 3 Business Concern, all outreach efforts must be documented in Table II.c. Outreach Efforts: you must document all the companies that have been contacted for subcontracting opportunities. If there are limited companies available who perform the necessary duties under this scope of work, please indicate in the 'reasons for not subcontracting'.
 - This is required before Other Economic Opportunities are proposed.
- **PRIME CONTRACTOR MUST USE (HA OF CITY'S SECTION 3 JOB OPPORTUNITIES WEBSITE TO IDENTIFY AND HIRE ANY AND ALL SECTION 3 EMPLOYEES. (HA OF CITY WILL NOT CONSIDER OR AUTHORIZE ANY ALTERNATE PROPOSALS TO IDENTIFY SUCH EMPLOYEES.**

Part III: Other Economic Opportunities

- If a Prime Contractor has demonstrated no plan or need to hire and/or subcontract or is unable to meet the hiring and/or subcontracting requirements in Part I and Part II, the Prime Contractor is required to provide other economic opportunities by completing the Table III: Other Economic Opportunities Plan(s).
- **PLEASE NOTE THAT THE INABILITY TO MEET THE HIRING AND/OR SUBCONTRACTING REQUIREMENT MUST BE DOCUMENTED COMPLETELY IN PART I: HIRING AND PART II: CONTRACTING BEFORE COMPLETING PART III: OTHER ECONOMIC OPPORTUNITIES.**
- Other Economic Opportunities could include indirect subcontracting with a Section 3 Business Concern (subcontracting for work not included in the scope of work), training programs, mentorship program participation, or other economic opportunities directed towards section 3 residents and businesses. Any Other Economic Opportunities must be proposed on pages 10 through 12 in Part III: OTHER ECONOMIC OPPORTUNITIES.
- If the other forms of Other Economic Opportunities are not feasible, the Prime Contract may propose a contribution to the Section 3 Fund. Guidance on how to contribute to the Section 3 Fund is outlined below:
 - Hiring Requirements Contribution: If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full hiring requirements (30% of new hires), and cannot provide other economic opportunities outlined above, then the contractor must pay 5% of the total dollar amount of the contract for building, trade work or 1.5% for all other contracts will be paid to the Section 3 fund. *NOTE: The amount shall not exceed \$100,000 for any one contract.*
 - Contracting Requirements Contribution: If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full Section 3 Business Concern subcontracting requirements, and cannot provide other economic opportunities outlined above, the difference between 10% of the covered contract (building, trade work) or 3% (non-construction) and the actual amount provided to Section 3 Business Concerns must be paid to the Section 3 Fund. *NOTE: The amount shall not exceed \$500,000 for any one contract.*
 - A Prime Contractor may also pay the entire 10% of the covered contract (building, trade work) or 3% (non-construction) if they have documented the infeasibility of offering any Other Economic Opportunities. *NOTE: The amount shall not exceed \$500,000 for any one contract.*

SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

- Charts have been provided for each category accepted under Other Economic Opportunities. You must outline the actual proposed opportunity, how you will measure the success of this opportunity, and the anticipated results. You will only need to complete the tables that apply to your Section 3 Plan.
- Please reference the Section 3 Policy for more details.

This form must be signed by a Principal of the company and notarized. Please note that if the form is not filled out completely, the proposal will be deemed non-responsive for not meeting the Section 3 minimum goals. This document is subject to change, by the (HA or CITY), at any time.

Prime Contractor Acknowledgement of Section 3 Requirements:

Signature of Principal of Company

Date

Print Name

HOUSING AUTHORITY OR CITY of _____
 Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

Part I: Hiring

Hiring Chart

Table I.a.: SAMPLE Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

| (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| Job Titles | Total Number of Employees Needed at each Job Title | Total Number of Employees Currently Employed at each Job Title | Total New Hires Needed for each Job Title | Total Section 3 Hires for Each Job Title |
| <i>List the Job Titles that are needed to complete your scope of work- including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.</i> | <i>List how many employees are needed to complete the Scope of Work for each Job Title.</i> | <i>List how many employees are currently employed at this position.</i> | <i>List how many of these positions are currently open.</i> | <i>List the number of Section 3 hires you will commit to for each position.</i> |
| Painters | 5 | 2 | 3 | 1 |
| Laborers | 10 | 5 | 4 | 4 |
| Carpenters | 25 | 10 | 8 | 2 |
| Bricklayers | 12 | 6 | 6 | 2 |
| Sprinkler Fitter | 4 | 2 | 0 | 0 |
| Marble Mason | 3 | 1 | 1 | 1 |
| Electrician | 18 | 6 | 12 | 4 |
| Power Equipment Operator | 3 | 2 | 0 | 0 |
| Iron Worker | 7 | 5 | 2 | 1 |
| Cement Mason | 9 | 6 | 3 | 3 |
| Plumber | 15 | 5 | 3 | 1 |
| Roofer | 14 | 7 | 4 | 1 |
| Administrative Assistant | 3 | 1 | 2 | 1 |
| Superintendent | 1 | 1 | 0 | 0 |
| Payroll Coordinator | 1 | 0 | 1 | 1 |
| | | | | |
| (6) Totals: | 130 | 59 | 49 | 22 |

(7) Total New Section 3 Hires Required:
(Total of column (4) x 0.3) round up to the nearest whole number **15**

(8) Percentage of New Hires that are Section 3:
(Total of column (5) ÷ Total of column (4)) x 100= % of New Hires **45%**

HOUSING AUTHORITY OR CITY of _____
 Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

In the Section below, complete the hiring chart in accordance with the instructions on page 2. Please reference the Sample Hiring Chart.

Table I.b.: Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

| (2) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| Job Titles | Total Number of Employees Needed at each Job Title | Total Number of Employees Currently Employed at each Job Title | Total New Hires Needed for each Job Title | Total Section 3 Hires for Each Job Title |
| <i>List the Job Titles that are needed to complete your scope of work- including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.</i> | <i>List how many employees are needed to complete the Scope of Work for each Job Title.</i> | <i>List how many employees are currently employed at this position.</i> | <i>List how many of these positions are currently open.</i> | <i>List the number of Section 3 hires you will commit to for each position.</i> |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| (6) Totals: | | | | |

| | |
|--|--|
| (7) Total New Section 3 Hires Required: <i>(Total of column (4) x 0.3) round up to the nearest whole number</i> | <input style="width: 90%; height: 20px;" type="text"/> |
| (8) Percentage of New Hires that are Section 3: <i>(Total of column (5) ÷ Total of column (4)) x 100= % of New Hires</i> | <input style="width: 90%; height: 20px;" type="text"/> |

SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part II: CONTRACTING

Table II: Contracting Commitments

In the section below, outline the total dollar value and percentage of the total contract value that will be subcontracted with Section 3 Business Concerns.

| | |
|---|----------|
| Total Dollar Value of Section 3 Business Concern Contracts: | \$ _____ |
| Total Percentage of Section 3 Business Concern Contracts: | _____ % |

Table II.a. SECTION 3 Business Concern Contracts: In the table on the next page, outline the Section 3 Business Concerns that will be working on this contract.

(If more space is needed, you can use this page multiple times)

| Contracts to Section 3 Business Concerns | |
|---|------------------------|
| COMPANY NAME: | _____ |
| ADDRESS: | _____ |
| CONTACT PERSON: | _____ TELEPHONE: _____ |
| E-MAIL ADDRESS: | _____ |
| ORIGINAL CONTRACT DOLLAR VALUE: | _____ |
| AMENDED CONTRACT DOLLAR VALUE: | _____ |
| <i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i> | |
| WORK TO BE PERFORMED/MATERIALS SUPPLIED: | _____ |
| Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long): | _____ |
| | |
| COMPANY NAME: | _____ |
| ADDRESS: | _____ |
| CONTACT PERSON: | _____ TELEPHONE: _____ |
| E-MAIL ADDRESS: | _____ |
| ORIGINAL CONTRACT DOLLAR VALUE: | _____ |
| AMENDED CONTRACT DOLLAR VALUE: | _____ |
| <i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i> | |
| WORK TO BE PERFORMED/MATERIALS SUPPLIED: | _____ |
| Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long): | _____ |
| | |

HOUSING AUTHORITY OR CITY of _____
 Department of Procurement and Contracts- Compliance Division

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

| Contracts to Section 3 Business Concerns (continued) | |
|---|-------------------|
| COMPANY NAME: | |
| ADDRESS: | |
| CONTACT PERSON: | TELEPHONE: |
| E-MAIL ADDRESS: | |
| ORIGINAL CONTRACT DOLLAR VALUE: | |
| AMENDED CONTRACT DOLLAR VALUE: | |
| <i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i> | |
| WORK TO BE PERFORMED/MATERIALS SUPPLIED: | |
| Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long): | |
| | |
| COMPANY NAME: | |
| ADDRESS: | |
| CONTACT PERSON: | TELEPHONE: |
| E-MAIL ADDRESS: | |
| ORIGINAL CONTRACT DOLLAR VALUE: | |
| AMENDED CONTRACT DOLLAR VALUE: | |
| <i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i> | |
| WORK TO BE PERFORMED/MATERIALS SUPPLIED: | |
| Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long): | |
| | |
| COMPANY NAME: | |
| ADDRESS: | |
| CONTACT PERSON: | TELEPHONE: |
| E-MAIL ADDRESS: | |
| ORIGINAL CONTRACT DOLLAR VALUE: | |
| AMENDED CONTRACT DOLLAR VALUE: | |
| <i>NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.</i> | |
| WORK TO BE PERFORMED/MATERIALS SUPPLIED: | |
| Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long): | |
| | |

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

Table II.b.: Contracting Shortfall

If the Prime Contractor cannot meet the minimum contracting requirements, outlined on pages 2 through 4, provide the reasoning below. You must include the scope of work and why you cannot meet the requirements. For additional space, please attach a document on your company's letterhead.

Table II.c.: Outreach Efforts

If the Prime Contractor is unable to find subcontractors, after exhausting all good faith efforts, to perform under this scope of work list, the companies that were contacted for subcontracting opportunities.

| Outreach Efforts | |
|---------------------------------------|--|
| Business Name: | |
| Primary Contact: | |
| Phone Number: | |
| E-Mail Address: | |
| Reason for not subcontracting: | |
| Business Name: | |
| Primary Contact: | |
| Phone Number: | |
| E-Mail Address: | |
| Reason for not subcontracting: | |

SECTION 3 UTILIZATION PLAN
 (To Be Completed by Prime Contractor)

Part III: OTHER ECONOMIC OPPORTUNITIES

Table III: Other Economic Opportunities Plan(s)

THIS SECTION MUST BE COMPLETED IF YOUR PLAN DOES NOT MEET THE MINIMUM HIRING (30% OF NEW HIRES) AND/OR CONTRACTING (10%/3%) REQUIREMENTS.

In the space provided below, please outline your plan to provide other economic opportunities to a Section 3 or low-income person (if more space is needed, please provide an attachment to this form). Examples of plans may include internship programs, mentorship programs, and teaming agreements. Please note that any indirect subcontracting should also be described in the section below. Refer to the instruction page for more information.

| Subcontractor Participation |
|--|
| COMPANY NAME: _____ ORIGINAL CONTRACT DOLLAR VALUE: _____ WORK TO BE PERFORMED/MATERIALS SUPPLIED: |
| COMPANY NAME: _____ ORIGINAL CONTRACT DOLLAR VALUE: _____ WORK TO BE PERFORMED/MATERIALS SUPPLIED: |

| Mentorship Program Participation | |
|---|--|
| Describe in detail the work that will be performed by the Section 3 Resident or Business Concern | |
| Quantifiable Goals | |
| Anticipated Results | |

| |
|--|
| SECTION 3 UTILIZATION PLAN (To Be Completed by Prime Contractor) |
|--|

| | |
|-------------------------|--|
| Training Program | |
|-------------------------|--|

| | |
|--|--|
| Describe in detail the work that will be performed by the Section 3 Resident or Business Concern | |
| Quantifiable Goals | |
| Anticipated Results | |

| | |
|---------------------------|--|
| Internship Program | |
|---------------------------|--|

| | |
|--|--|
| Describe in detail the work that will be performed by the Section 3 Resident or Business Concern | |
| Quantifiable Goals | |
| Anticipated Results | |

| | |
|--|--|
| Other Results-Oriented Economic Opportunities (Please Describe) | |
|--|--|

Note: Any part-time hires can be represented here.

| | |
|--|--|
| Describe in detail the work that will be performed by the Section 3 Resident or Business Concern | |
| Quantifiable Goals | |
| Anticipated Results | |

HOUSING AUTHORITY OR CITY of

SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

By signing below, the Contractor hereby agrees to comply with the Section 3 requirements indicated above. To the extent that the completion of this form is contingent upon future information, for example price negotiations, request for specific services, etc., the undersigned hereby affirms and agrees to fully adhere to the (HA OR CITY Section 3 Policy. Furthermore, the undersigned acknowledges and affirms responsibility for completion and submission of this form at the time the bid or proposal is due.

NAME OF PRIME CONTRACTOR (Print or Type)

NAME OF AUTHORIZED OFFICER

Date

NAME OF NOTARY (Print or Type)

STATE OF _____ COUNTY OF _____ ON THIS _____ DAY OF _____ 20__ BEFORE ME APPEARED (NAME) _____

TO ME PERSONALLY KNOWN WHO, BEING DULY SWORN, DID EXECUTE THE FOREGOING AFFIDAVIT, AND DID STATE THAT HE OR SHE WAS PROPERLY AUTHORIZED BY THE PRIME CONTRACTOR TO EXECUTE THIS AFFIDAVIT AND DID SO AS HIS OR HER FREE ACT AND DEED.

NOTARY PUBLIC: _____ (SEAL):

COMMISSION EXPIRES:

INTERNAL (HA or CITY) APPROVAL:

COMPLIANCE MANAGER'S SIGNATURE

DATE

INTERNAL (HA or CITY) APPROVAL:

SECTION 3 ADMINISTRATOR

DATE

(Applicable when Other Economic Opportunities are proposed)