



CITY OF SAINT PAUL HUD SECTION 3 COMPLIANCE INFORMATION

The City has Section 3 responsibilities that it must meet. This includes meeting certain utilization goals (below) as well as including certain Section 3 language in bid materials, solicitations, and contracts, and keeping detailed documentation of efforts to meet these goals. Depending on the sub-contract amounts awarded, it may be the case that the City, Developer, and the general contractor share Section 3 responsibilities with 1st, 2nd, and 3rd tier sub-contractors, as long as they receive contracts for over 100K.

GOALS

- Direct **10%** of dollar amount of all sub-contracts awarded for **labor** to Section 3 businesses
- Direct **3%** of the dollar amount of all **professional service** contracts (architects, attorneys, engineers, appraisers, etc.) to Section 3 businesses
- Fill **30%** of **new hire opportunities** with Section 3 residents

All three apply to the general contractor and all sub-contractors with contracts for over 100K

DOCUMENTATION OF EFFORTS

Documentation of efforts to meet goals must be maintained by the general contractor and all sub-contractors receiving contracts for over 100K.

In addition to those goals listed above, sub-contracts (issued by the general or any major subs) must include the Section 3 language and major contractors must keep detailed documentation of efforts taken to meet these goals. These efforts could include copies of bid solicitations, any walk-throughs with potential subcontractors, and any outreach activities undertaken to solicit bids.

REQUIRED FROM ALL MAJOR CONTRACTORS

- 1. Action Plan** – detail contracting, hiring, training activities
- 2. Core Workforce List** – trades people and office staff
 - Submit with Action Plan
- 3. Quarterly Reports** – update contracting, hiring, training activities
 - Work on calendar year schedule – all due from the general contractor by these dates:
 - 1st Quarter (Jan 1 – Mar 31); Due **April 15, 2013**
 - 2nd Quarter (Apr 1 – June 31); Due **July 15, 2013**
 - 3rd Quarter (July 1 – Sept 31); Due **Oct 15, 2013**
 - 4th Quarter (Oct 1 – Dec 31); Due **Jan 15, 2014**

All three items are required from the general contractor and all major sub-contractors (+100K)



CITY OF SAINT PAUL HUD SECTION 3 COMPLIANCE INFORMATION

IF YOUR HIRE SUBCONTRACTORS . . .

1. Section 3 Business List

- Helps you find Section 3 certified businesses

2. Section 3 Language

- Include in Bid Solicitations AND
- In Contracts with Subs – send copies of executed contracts to the Section 3 program

3. Solicitations

- Solicit three (3) Section 3 businesses
- Send copy of solicitation to Section 3 program to help you find certified contractors

4. ID Sheet

- Identifies sub-contractors used, usually compiled by the general contractor
-

IF YOU MAKE NEW HIRES & ARE A UNION CONTRACTOR . . .

1. Section 3 Union Letter

- Send copies to union and Section 3 program before request

2. Worker Request Form – use this form, or similar substitute, to request workers

- Creates documentation of efforts

3. Section 3 Verification of Eligibility

- The City of Saint Paul reserves the right to request verification of an applicant's eligibility for Section 3. Verification of eligibility includes (but is not limited to) tax returns to verify income or evidence of receipt of public assistance or public housing.

IF YOU MAKE NEW HIRES & ARE NOT A UNION CONTRACTOR . . .

1. Job Connect Solicitation Form

- Send copies to Job Connect and Section 3 program

2. Notice Posting – Post this document on job site in conspicuous area

- Creates documentation of efforts
-



CITY OF SAINT PAUL **CONTRACTOR HUD SECTION 3 ACTION PLAN** **MANDATORY SUBMISSION**

Contractors receiving contracts in excess of \$100,000 must complete and submit this Action Plan - failure to do so could result in a finding of non-compliance and may result in penalties or other remedies.

PROJECT NAME: _____ CONTRACT AWARD: _____

CONTRACTOR NAME: _____ SERVICES PROVIDED: _____

CONTRACTOR CONTACT: _____
 (Company's Section 3 compliance contact)

ADDRESS: _____ TELEPHONE: _____

EMAIL: _____ FAX NUMBER: _____

Contractors must satisfy the following contracting and hiring/training goals:

- **Award 10%** of total dollar amount of all construction labor sub-contracts to Section 3 businesses
- **Award 3%** of total dollar amount of non-construction sub-contracts (professional services and other soft costs) to Section 3 businesses
- **Fill 30%** of all new hire opportunities with Section 3 residents

Part 1. **Contracting Activity**. Provide the following information on this project (if none, enter "0"):

- A. Estimated total dollar amount that you will award in labor sub-contracts: _____
- B. Est. dollar amount of labor sub-contracts that you will award to Sec. 3 businesses: _____
- C. Est. total dollar amount that you will award for professional services (soft costs): _____
- D. Est. dollar amount of professional (soft cost) contracts that you will award to Sec. 3 businesses: _____
- E. Est. total dollar amount that you will award to material suppliers: _____

What Section 3 and non-Section 3 sub-contractors have you contacted for this work, what was their response, and who do you expect to utilize? Include type of work and estimated dollar amounts. Attach additional pages if necessary.			
Contractor Name	Response	Type of Work	Est. Dollar Amount

Part 2. **Hiring & Training Activity**. Provide the following information (if none, enter "0"):

- A. Est. number of new job/training opportunities that you will generate with project: _____
- B. Est. number of new job/training opportunities that you will fill with Section 3 residents: _____



CITY OF SAINT PAUL HUD SECTION 3 ACTION PLAN – MANDATORY EFFORTS

Each Contractor must also engage in and submit documentation of the mandatory efforts listed in Parts 3 and 4. Documentation of mandatory compliance efforts may be submitted after award is made.

Part 3. Mandatory Contracting Efforts

Mandatory Contractor Efforts: Awarding Contracts
Designate a Section 3 compliance Officer for the project
Obtain a list of certified Section 3 business concerns from the City
Attend all pre-bid and pre-construction conferences to obtain information about Section 3 and its goals
Where appropriate break out contract work items into economically feasible units to facilitate inclusion
Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns
Provide plans and specifications or information regarding the location of plans and specifications to Section 3 business concerns
Include Section 3 Contract Clauses in all covered contracts and all solicitations for work Solicit at least 3 bids from the City's Section 3 business list for each service that requires subcontracts*
Advertise subcontracting opportunities in at least 2 community newspapers*
Provide bid preference for Section 3 businesses in accordance with the Section 3 regulations*
Document the efforts taken and the impediments encountered in trying to satisfy Section 3 requirements*

*Require submission of documentation

Part 4. Mandatory Hiring/Training Efforts

Mandatory Contractor Efforts: New Hires/Training Opportunities
Provide list of your core workforce (include on-site labor staff and office/administrative personnel)*
Provide contact information for Union Representative or Dispatcher from applicable Union Hall*
Provide notice to the local bargaining unit (Union Halls) of Section 3 hiring obligations*
Submit the Worker Request Form for Union members to the Union and City*
Erect weatherproof signage at the job site that is visible from the street and provides information on job opportunities, including the number and type of positions available, contact information, and instructions on how to apply*
Advertise job openings on Ramsey County Job Connect (www.jobconnect.com)*
Develop and implement efforts to conduct aggressive outreach and notification of opportunities
Document the efforts taken and the impediments encountered in trying to satisfy Section 3 requirements *

*Require submission of documentation



CITY OF SAINT PAUL HUD SECTION 3 ACTION PLAN – OPTIONAL EFFORTS

The City of Saint Paul encourages Contractors to be creative and make additional efforts to direct economic opportunities to Section 3 businesses and residents. Parts 5 and 6 provide examples of additional efforts.

Part 5. Optional Contracting Efforts

Optional Contractor Efforts: Awarding Contracts	Yes/No?
Notify business assistance agencies, minority contractor associations, and community organizations of contracting opportunities and collaborate to identify Section 3 businesses to solicit bids or proposals	
Consider record of Section 3 compliance in determining responsibility of potential contractors	
Provide additional information to Section 3 businesses that have expressed interest in opportunities	
Carry out workshops on contracting procedures and opportunities in a timely manner so that Section 3 businesses can take advantage of opportunities	
Provide information on contracting procedures and opportunities in languages other than English	
Advise Section 3 businesses as to where to find assistance in obtaining bonding, lines of credit, financing, or insurance	
Notify HUD Youthbuild programs of contracting opportunities	
Other (specify):	

Part 6. Optional Hiring/Training Efforts

Optional Contractor Efforts: New Hires/Training Opportunities	Yes/No?
Conduct job interviews within the neighborhood or service area of the section 3 covered project	
Advertise the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising	
Maintain a file of qualified section 3 residents for future employment positions	
Other (specify):	

A Contractor having completed this questionnaire accurately and in full agrees to meet its obligations to the City of Saint Paul's Section 3 policies and procedures. You will be required to provide documentation of the above listed efforts to the City of Saint Paul.

Send Action Plan & Documentation of efforts to:
 Dept. of Human Rights & Equal Economic
 Opportunity – Contract Compliance
 15 W. Kellogg Blvd – 280 City Hall
 Saint Paul, MN 55102
Section3program@stpaul.gov
 Phone: 651-266-8900 Fax: 651-266-8919

Signature of Contractor Representative

Date



CITY OF SAINT PAUL

SAMPLE CONTRACTOR HUD SECTION 3 ACTION PLAN

MANDATORY SUBMISSION

Contractors receiving contracts in excess of \$100,000 must complete and submit this Action Plan - failure to do so could result in a finding of non-compliance and may result in penalties or other remedies.

PROJECT NAME: Section 3 Flats CONTRACT AWARD: \$800,000

CONTRACTOR NAME: ABC Mechanical, Inc. SERVICES PROVIDED: Mechanical

CONTRACTOR CONTACT: John Doe
(Company's Section 3 compliance contact)

ADDRESS: 123 Main Ave, Saint Paul, MN 55102 TELEPHONE: 123-456-7890

EMAIL: JohnDoe@abcmmechanical.com FAX NUMBER: 234-567-8901

Contractors must satisfy the following contracting and hiring/training goals:

- **Award 10%** of total dollar amount of all construction labor sub-contracts to Section 3 businesses
- **Award 3%** of total dollar amount of non-construction sub-contracts (professional services and other soft costs) to Section 3 businesses
- **Fill 30%** of all new hire opportunities with Section 3 residents

Part 1. **Contracting Activity**. Provide the following information on this project (if none, enter "0"):

A. Estimated total dollar amount that you will award in labor sub-contracts: \$80,000

B. Est. dollar amount of labor sub-contracts that you will award to Sec. 3 businesses: \$80,000

C. Est. total dollar amount that you will award for professional services (soft costs): \$0

D. Est. dollar amount of professional (soft cost) contracts that you will award to Sec. 3 businesses: \$0

E. Est. total dollar amount that you will award to material suppliers: \$0

What Section 3 and non-Section 3 sub-contractors have you contacted for this work, what was their response, and who do you expect to utilize? Include type of work and estimated dollar amounts. Attach additional pages if necessary.			
Contractor Name	Response	Type of Work	Est. Dollar Amount
XYZ Insulation (Sec 3)	Will use bid submitted	Insulation	\$80,000
123 Insulation	No Response	Insulation	NA
456 Insulation	Bid submitted – will not use	Insulation	NA

Part 2. **Hiring & Training Activity**. Provide the following information (if none, enter "0"):

A. Est. number of new job/training opportunities that you will generate with project: 3

B. Est. number of new job/training opportunities that you will fill with Section 3 residents: 1



CITY OF SAINT PAUL HUD SECTION 3 ACTION PLAN – MANDATORY EFFORTS

Each Contractor must also engage in and submit documentation of the mandatory efforts listed in Parts 3 and 4. Documentation of mandatory compliance efforts may be submitted after award is made.

Part 3. Mandatory Contracting Efforts

Mandatory Contractor Efforts: Awarding Contracts
Designate a Section 3 compliance Officer for the project
Obtain a list of certified Section 3 business concerns from the City
Attend all pre-bid and pre-construction conferences to obtain information about Section 3 and its goals
Where appropriate break out contract work items into economically feasible units to facilitate inclusion
Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns
Provide plans and specifications or information regarding the location of plans and specifications to Section 3 business concerns
Include Section 3 Contract Clauses in all covered contracts and all solicitations for work Solicit at least 3 bids from the City's Section 3 business list for each service that requires subcontracts*
Advertise subcontracting opportunities in at least 2 community newspapers*
Provide bid preference for Section 3 businesses in accordance with the Section 3 regulations*
Document the efforts taken and the impediments encountered in trying to satisfy Section 3 requirements*

*Require submission of documentation

Part 4. Mandatory Hiring/Training Efforts

Mandatory Contractor Efforts: New Hires/Training Opportunities
Provide list of your core workforce (include on-site labor staff and office/administrative personnel)*
Provide contact information for Union Representative or Dispatcher from applicable Union Hall*
Provide notice to the local bargaining unit (Union Halls) of Section 3 hiring obligations*
Submit the Worker Request Form for Union members to the Union and City*
Erect weatherproof signage at the job site that is visible from the street and provides information on job opportunities, including the number and type of positions available, contact information, and instructions on how to apply*
Advertise job openings on Ramsey County Job Connect (www.jobconnect.com)*
Develop and implement efforts to conduct aggressive outreach and notification of opportunities
Document the efforts taken and the impediments encountered in trying to satisfy Section 3 requirements *

*Require submission of documentation



CITY OF SAINT PAUL

HUD SECTION 3 ACTION PLAN – OPTIONAL EFFORTS

The City of Saint Paul encourages Contractors to be creative and make additional efforts to direct economic opportunities to Section 3 businesses and residents. Parts 5 and 6 provide examples of additional efforts.

Part 5. Optional Contracting Efforts

Optional Contractor Efforts: Awarding Contracts	Yes/No?
Notify business assistance agencies, minority contractor associations, and community organizations of contracting opportunities and collaborate to identify Section 3 businesses to solicit bids or proposals	Yes
Consider record of Section 3 compliance in determining responsibility of potential contractors	Yes
Provide additional information to Section 3 businesses that have expressed interest in opportunities	Yes
Carry out workshops on contracting procedures and opportunities in a timely manner so that Section 3 businesses can take advantage of opportunities	No
Provide information on contracting procedures and opportunities in languages other than English	No
Advise Section 3 businesses as to where to find assistance in obtaining bonding, lines of credit, financing, or insurance	No
Notify HUD Youthbuild programs of contracting opportunities	No
Other (specify):	

Part 6. Optional Hiring/Training Efforts

Optional Contractor Efforts: New Hires/Training Opportunities	Yes/No?
Conduct job interviews within the neighborhood or service area of the section 3 covered project	No
Advertise the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising	No
Maintain a file of qualified section 3 residents for future employment positions	Yes
Other (specify):	

A Contractor having completed this questionnaire accurately and in full agrees to meet its obligations to the City of Saint Paul's Section 3 policies and procedures. You will be required to provide documentation of the above listed efforts to the City of Saint Paul.

Send Action Plan & Documentation of efforts to:
 Dept. of Human Rights & Equal Economic
 Opportunity – Contract Compliance
 15 W. Kellogg Blvd – 280 City Hall
 Saint Paul, MN 55102
Section3program@stpaul.gov
 Phone: 651-266-8900 Fax: 651-266-8919

 John Doe
 Signature of Contractor Representative

 3/1/2013

Date



CITY OF SAINT PAUL – PROJECT COMPLIANCE REPORT CONTRACTOR'S SUMMARY OF HIRING ACTIVITY

The information provided will be used to monitor the program recipient's compliance with Section 3, to assess the City's efforts to meet the objectives of Section 3, prepare reports for HUD, and by recipients as a self monitoring tool.

Provide the requested information for each new hire made on this project. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

Contractor Name & Address		Contact Person			Reporting Period		Date	
		Telephone Number			Email Address			
		Project Name			Start Date		Completion Date	
		Total Amount of Award \$			Prime Contractor ☐ Sub-Contractor ☐			
Job Category	# of New Hires	Total No. of Hours that are New Hires	No. of New Hires that are Sec 3 Residents	Total No. of Hours that are Sec 3 Residents	No. of Sec 3 Employees & Trainees	Total No. of hours that are Sec 3 Employees & Trainees		
Total for this Reporting Period								
Total from Contract Start Date								

Certified this ____ day of _____, 2013

By: _____



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT CONTRACTOR’S NEW HIRE OPPORTUNITY WORKSHEET

To ensure efforts are made to reach the City of Saint Paul’s numerical goals for job placement of low-income individuals; all Contractors shall provide information on all available employment and training opportunities related to the project. This document must be submitted with certified payrolls. This is a **mandatory quarterly submittal**.

# of Core Employees	Proposed # of New Hires	Proposed # of Section 3 Hires	Contract Amount \$
Proposed % of Section 3 New Hires	# of New Employees Hired for Construction Work	# of New Employees Hired for Non-Construction Work	
Name of New Hire	New Hire Job Titles	Sect. 3 Yes/No	Estimated Start Date

Office Use Only

Section 3 Employment Goals – 30% of new hires

Actual Hiring Goal: _____ Achieved _____



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT CONTRACTOR’S SUMMARY OF CONTRACTING ACTIVITY

Please summarize the project’s contracting and sub-contracting information below and attach a completed ID sheet. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

CONSTRUCTION CONTRACTS			
Total \$ Amount of all Contracts Awarded on the Project	Total \$ Amount of Const Contracts Awarded to Section 3 Businesses	Percentage of Total \$ Amount Awarded to Section 3 Businesses	Total No. of Section 3 Businesses Awarded Contracts
\$	\$	%	
NON-CONSTRUCTION CONTRACTS			
Total \$ Amount of all Contracts Awarded on the Project	Total \$ Amount of Const Contracts Awarded to Section 3 Businesses	Percentage of Total \$ Amount Awarded to Section 3 Businesses	Total No. of Section 3 Businesses Awarded Contracts
\$	\$	%	

Office Use Only

Construction Contract Goal – 10% of total dollar amount of construction work

Section 3 Construction Contract Goal \$ _____ Achieved _____

Non-Construction Contract Goal – 3% of total dollar amount of other contracts

Non-Construction Contract Goal \$ _____ Achieved _____

Certified this ____ day of _____, 2013

By: _____



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT CONTRACTOR'S EFFORTS TO ACHIEVE HUD SECTION 3 COMPLIANCE

Indicate below the efforts made to direct employment and other economic opportunities, to the greatest extent feasible, to low-income persons and businesses providing opportunities to low-income persons. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

(See section VII. Ensuring Compliance with Section 3 Policies and review the minimum efforts required by Contractors to complete this form.)

Check all that Apply

_____ Attempted to recruit low-income residents through local advertising media, and signs prominently displayed at the project site.

_____ Partnered or coordinated events with community organizations and/or public and private agencies in the area in which the project is located, or similar methods

_____ Coordinated with Youthbuild programs in the metropolitan area in which the Section 3 Project is located.

Describe additional methods undertaken to achieve the objectives of Section 3 Compliance (attach additional pages if necessary):

Indicate what specific strategies and outreach efforts were used for contracting with Section 3 business concerns and for hiring Section 3 residents:



CITY OF SAINT PAUL – PROJECT COMPLIANCE REPORT - SAMPLE CONTRACTOR'S SUMMARY OF HIRING ACTIVITY

The information provided will be used to monitor the program recipient's compliance with Section 3, to assess the City's efforts to meet the objectives of Section 3, prepare reports for HUD, and by recipients as a self-monitoring tool.

Provide the requested information for each new hire made on this project. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

Contractor Name & Address ABC Contractor 123 Main Street Saint Paul, MN 55102		Contact Person John Doe		Reporting Period January – March		Date 3/1/2013	
		Telephone Number 123-456-7890		Email Address JohnDoe@abccont.com			
		Project Name Section 3 Flats		Start Date 7/1/2012		Completion Date 9/1/2013	
		Total Amount of Award \$ 800,000		Prime Contractor ☐ Sub-Contractor ☒			
Job Category	# of New Hires	Total No. of Hours that are New Hires	No. of New Hires that are Sec 3 Residents	Total No. of Hours that are Sec 3 Residents	No. of Sec 3 Employees & Trainees	Total No. of hours that are Sec 3 Employees & Trainees	
Carpenter	3	120	1	40	1	10	
Total for this Reporting Period	3	120	1	40	1	10	
Total from Contract Start Date	3	120	1	40	1	10	

Certified this 25 day of February, 2013

By: John Doe



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT - SAMPLE CONTRACTOR’S NEW HIRE OPPORTUNITY WORKSHEET

To ensure efforts are made to reach the City of Saint Paul’s numerical goals for job placement of low-income individuals; all Contractors shall provide information on all available employment and training opportunities related to the project. This document must be submitted with certified payrolls. This is a **mandatory quarterly submittal**.

# of Core Employees: 10	Proposed # of New Hires: 3	Proposed # of Section 3 Hires: 1	Contract Amount \$ 800,000
Proposed % of Section 3 New Hires: 30%	# of New Employees Hired for Construction Work: 3	# of New Employees Hired for Non-Construction Work: 0	

Name of New Hire	New Hire Job Titles	Sect. 3 Yes/No	Estimated Start Date	Estimated End Date	Office Use
Jay Doe	App. Carpenter	Y	3/15/2013	7/15/2013	
Jane Doe	Journeyman Carpenter	N	3/15/2013	7/15/2013	
Jo Doe	Journeyman Carpenter	N	3/15/2013	7/15/2013	

Office Use Only
 Section 3 Employment Goals – 30% of new hires
 Actual Hiring Goal: _____ Achieved _____



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT - SAMPLE CONTRACTOR’S SUMMARY OF CONTRACTING ACTIVITY

Please summarize the project’s contracting and sub-contracting information below and attach a completed ID sheet. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

CONSTRUCTION CONTRACTS			
Total \$ Amount of all Contracts Awarded on the Project	Total \$ Amount of Const Contracts Awarded to Section 3 Businesses	Percentage of Total \$ Amount Awarded to Section 3 Businesses	Total No. of Section 3 Businesses Awarded Contracts
\$ 80,000	\$ 80,000	100%	1
NON-CONSTRUCTION CONTRACTS			
Total \$ Amount of all Contracts Awarded on the Project	Total \$ Amount of Const Contracts Awarded to Section 3 Businesses	Percentage of Total \$ Amount Awarded to Section 3 Businesses	Total No. of Section 3 Businesses Awarded Contracts
\$ 0	\$ 0	% 0	0

Office Use Only
Construction Contract Goal – 10% of total dollar amount of construction work
Section 3 Construction Contract Goal \$ _____ Achieved _____
Non-Construction Contract Goal – 3% of total dollar amount of other contracts
Non-Construction Contract Goal \$ _____ Achieved _____

Certified this ____ day of _____, 2013
By: _____



CITY OF SAINT PAUL– PROJECT COMPLIANCE REPORT - SAMPLE CONTRACTOR’S EFFORTS TO ACHIEVE SECTION 3 COMPLIANCE

Indicate below the efforts made to direct employment and other economic opportunities, to the greatest extent feasible, to low-income persons and businesses providing opportunities to low-income persons. **All Contractors and sub-contractors that have received contracts of over \$100,000 must submit this report.**

(See section VII. Ensuring Compliance with Section 3 Policies and review the minimum efforts required by Contractors to complete this form.)

Check all that Apply

- ☒ Attempted to recruit low-income residents through local advertising media, and signs prominently displayed at the project site.
- ☐ Partnered or coordinated events with community organizations and/or public and private agencies in the area in which the project is located, or similar methods
- ☐ Coordinated with Youthbuild programs in the metropolitan area in which the Section 3 Project is located.

Describe additional methods undertaken to achieve the objectives of Section 3 Compliance (attach additional pages if necessary):

Indicate what specific strategies and outreach efforts were used for contracting with Section 3 business concerns and for hiring Section 3 residents:

- Solicited 4 Section 3 businesses for insulation work
- Worked with union hall to request available Section 3 union workers – this resulted in one Section 3 resident new hire

AWARDING SUB-CONTRACTS

PROJECT: _____ BID #: _____ EST. CONSTRUCTION COST: _____

Please Identify all sub-contractors (including material suppliers) you intend to utilize on this project. Identify all suppliers with an (S), Identify Minority Owned, Women Owned and Small and Section 3 businesses with **MBE, WBE, or SBE** Sec 3 respectively. Please Identify Certified Vendors. Form must be updated and submitted when you add, delete, or make other changes to the list.

	NAME, ADDRESS, CONTACT PERSON AND PHONE NUMBER	CERT W/M/S/BE Vendor	Section 3 CERTIFIED VENDOR		NATURE OF WORK	DATE WORK TO BEGIN	DATE WORK COMPLETED	CONTRACT AMOUNT
PRIME:	_____	_____			_____	_____	_____	\$0
SUBS: 1.	_____	_____			_____	_____	_____	
2	_____	_____			_____	_____	_____	
3	_____	_____			_____	_____	_____	
4	_____	_____			_____	_____	_____	
5	_____	_____			_____	_____	_____	
6	_____	_____			_____	_____	_____	
7	_____	_____			_____	_____	_____	

SECTION 3 COMPLIANCE COVER PAGE

Note: HUD Section 3 Compliance Applies to this Project

Subrecipients, subgrantees, developers, contractors, and subcontractors involved with this project must satisfy the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u and the regulations at 24 CFR part 135, the City of Saint Paul Section 3 Action Plan, and the terms of this contract.

Instructions for use of Section 3 language.

1. The attached language **must** be inserted in the main body (not in an exhibit or attachment) of every contract, grant, and other agreement in which HUD funds of \$1.00 or more are being used.
2. This language **must** also be included in all bid and proposal instructions, notices, specifications, and solicitations for work that are distributed.
3. The bidding requirements listed below include specific actions that must be taken in order to facilitate the participation of Section 3 businesses with this project. Any entity that solicits bids or proposals for work or services must exercise the **bid preferences** listed after receiving all bids or proposals.
4. The subrecipients, subgrantees, developers, and covered contractors and subcontractors understand and agree that the **penalty language** applies to their involvement with this Section 3 project.
5. Insert into the blank fields the name of the recipient of HUD funds, e.g. Subgrantee, Subrecipient, Developer, Borrower, Contractor, Sub-contractor, etc. Insert the word "Bidder" in the blank fields when this language is used as part of bid and proposal instructions, notices, specifications, and solicitations for work.

____. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

A. Compliance; goals; reporting. The _____ agrees to comply with and to cause its covered contractors and covered subcontractors to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u and the regulations at 24 CFR part 135, the City of Saint Paul Section 3 Action Plan, and the terms of this contract. The contracting goals of 10% of building trade work and 3% of other contracts, and the 30% new hire employment goals apply to this contract by the _____. The _____ agrees to report to the City/HRA, as requested by City/HRA, its compliance with these Section 3 requirements on the form(s) supplied by the City/HRA.

B. Bids. The _____ agrees that the following bidding requirements apply to this contract:

(a) Actions to facilitate participation by Section 3 business concerns.

(i) The _____ agrees to arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns.

(ii) The _____ agrees where appropriate to break out contract work items into economically feasible units to facilitate participation by Section 3 business concerns.

(iii) The _____ agrees to solicit a minimum of three (3) bids from the City of Saint Paul Section 3 business list for each service that requires subcontracts. If the City's business list includes fewer than three (3) qualified businesses that perform the work needed, the _____ agrees to solicit bids from all the businesses that are on the City's Section 3 business list.

(b) Preference for Section 3 Business Concerns.

(i) Request for Bid process. Preference in the award of Section 3 covered contracts that are awarded under a sealed bid process shall be provided as follows: Bids shall be solicited from all businesses (section 3 business concerns, and non-section 3 business concerns). An award shall be made to the qualified section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid—

(A) is within the maximum total contract price established in the budget for the project for which bids are being taken, and

(B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

	x=lesser of:
When the lowest responsive bid is less than \$100,000	10% of that bid or \$9,000.
When the lowest responsive bid is:	

At least \$100,000, but less than \$200,000	9% of that bid, or \$16,000.
At least \$200,000, but less than \$300,000	8% of that bid, or \$21,000.
At least \$300,000, but less than \$400,000	7% of that bid, or \$24,000.
At least \$400,000, but less than \$500,000	6% of that bid, or \$25,000.
At least \$500,000, but less than \$1 million	5% of that bid, or \$40,000.
At least \$1 million, but less than \$2 million	4% of that bid, or \$60,000.
At least \$2 million, but less than \$4 million	3% of that bid, or \$80,000.
At least \$4 million, but less than \$7 million	2% of that bid, or \$105,000.
\$7 million or more	1 ½ % of the lowest responsive bid, with no dollar limit.

(ii) If no responsive bid by a Section 3 business concern meets the requirements of paragraph (i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

(ii) Request for Proposal process. Where the Section 3 covered contract is to be awarded based on factors other than price, a Request for Proposals (“RFP”) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

- One of the evaluation factors shall address both the preference for Section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement, as disclosed in proposals submitted by all business concerns (Section 3 and non-section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.
- The component of this evaluation factor designed to address the preference for Section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.
- With respect to the second component (the acceptability of the Section 3 strategy), the RFP shall require the disclosure of the contractor’s Section 3 strategy to comply with Section 3 training and employment preference, or contracting preference, or both. If applicable, a determination of the contractor’s responsibility will include the submission of an acceptable Section 3 strategy. The contract award shall be made to the responsible firm (either Section 3 or non-section 3 business concerns) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

C. Penalty. The following penalty clause only applies to (a) a subgrantee, subrecipient or developer for a Section 3 covered project for which the amount of HUD assistance exceeds \$200,000, and (b) for those contractors and subcontractors whose contracts exceed \$100,000 for those section 3 covered projects for which the HUD assistance exceeds \$200,000:

Where at least 10% of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction, and public construction or at least 3% of the total dollar amount of all other Section 3 covered contracts are not provided to Section 3 business concerns and/or do not result in the employment of Section 3 residents, the contractor, sub-contractor, developer or sub-recipient will be required to contribute the difference between 10% of the covered contract amount (3% for nonconstruction related contracts) and the amount provided to Section 3 business concerns and/or in the employment of Section 3 residents into the City's Section 3 Implementation Fund. The City will enforce this requirement.

D. Remedies for default. In addition to the penalty described above, the City may, upon a failure to comply with any of the Section 3 requirements described herein, elect to enforce any other remedy described in the City of Saint Paul Section 3 Action Plan, the terms of this contract and as afforded by City Ordinance, law or equity.

E. 24 CFR Section 135.38 Section 3 Clause.

This Section 3 clause is a part of this contract:

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, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, 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 impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. 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 regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

MAKING NEW HIRES



SAMPLE NOTICE OF HUD SECTION 3 EMPLOYMENT & TRAINING OPPORTUNITIES

CITY OF SAINT PAUL RESIDENTS MAY QUALIFY FOR EMPLOYMENT, TRAINING AND/OR CONTRACTING OPPORTUNITIES ON THIS FEDERALLY FUNDED CONSTRUCTION PROJECT. LOW-INCOME AND VERY LOW-INCOME RESIDENTS WILL RECEIVE HIRING PREFERENCE.

NUMBER OF JOBS AVAILABLE

1

AVAILABLE JOB TITLE(S) PIPEFITTER

APPRENTICESHIP AND TRAINING OPPORTUNITIES AVAILABLE NONE

INTERESTED CITY OF SAINT PAUL & FROGTOWN RESIDENTS SHOULD CONTACT THE DESIGNATED PERSON BELOW TO DETERMINE THEIR ELIGIBILITY FOR CURRENT AVAILABLE POSITIONS, POSSIBLE FUTURE POSITIONS OR OTHER TRAINING OPPORTUNITIES

EMPLOYMENT/TRAINING OPPORTUNITIES	
CONTACT	JOHN DOE
PHONE	651-123-4567
ADDRESS	DOE'S CONSTRUCTION 123 STREET SAINT PAUL, MN 55104
E-MAIL	<u>JOHN@DOE.COM</u>
FAX	651-321-7654

THIS SAMPLE NOTICE COMPLIES WITH THE CITY OF SAINT PAUL SECTION 3 ACTION PLAN TO PROVIDE NOTICE OF EMPLOYMENT & TRAINING OPPORTUNITIES TO ELIGIBLE LOW INCOME RESIDENTS.



CITY OF SAINT PAUL SAMPLE HUD SECTION 3 LETTER TO UNION

Union Contractors must send a similar notice to each labor organization with which it has a collective bargaining agreement or other understanding and carbon copy the City on the correspondence.

Date

Union Contact

Address

City, State, Zip

RE: Project Name & Site

Dear:

(Name of Contractor), is a subcontractor or contractor on the (Name of Project). This construction project is under the United States Department of Housing and Urban Development Section 3 regulations for the City of Saint Paul.

The Section 3 regulation compliance requires that contractors to the greatest extent feasible hire low-income residents of the City of Saint Paul and (enter the neighborhood location or zip codes) for the project. We are asking for your cooperation in using your best efforts to dispatch low-income Section 3 resident workers from your union that reside in the City of Saint Paul and (enter the neighborhood location or zip codes). However, if there are no available workers in the project area please dispatch low-income Section 3 resident workers from your union that reside outside the project area and the City of Saint Paul.

Please keep this correspondence for your records. When we request that workers are dispatched to a job, please make your best effort to assist our company and the City of Saint Paul meet the Section 3 local hiring requirements.

Sincerely,

(Person Name)

cc: HREEO, Section 3 Administrator



CITY OF SAINT PAUL WORKER REQUEST FORM FOR UNION CONTRACTORS

FOR UNION CONTRACTOR USE ONLY

CONTRACTOR

Please send this completed form, or its equivalent, to the applicable union to request workers that fulfill hiring requirements for this project. Send a copy of this form to Department of HREEO, attention Section 3 Administrator at (651) 266-8919 or by e-mail to section3program@ci.saintpaul.mn.us. After sending your request, please call the Local to confirm receipt and substantiate their capacity to furnish workers. **Print and retain your fax transmission verification reports and keep copies for your records.**

UNION

Complete the "Union Use Only" section and fax this form back to the requesting Contractor. **Retain a copy of this form for your records and fax a copy to the City of Saint Paul Department of HREEO at 651-266-8919.**

To: Local # _____ Fax# (____) _____ Date _____

CC: Department of HREEO, Attention: Section 3 Administrator (651) 266-8919

FR: Company Name _____ Name _____

Contact Phone # (____) _____ Fax (____) _____

Project Site Address _____

The City of Saint Paul requires that 30% of the new hires & apprentices be low-income Section 3 eligible residents. The order of providing preference for training and employment opportunities is as follows:

1st PRIORITY	Section 3 eligible Union members, including apprentices, who reside in the following Neighborhood/ZipCodes: _____
2nd PRIORITY	Section 3 eligible Union members that reside in the City of Saint Paul.
3rd PRIORITY	Other Section 3 eligible Union members that reside outside the City.

Union Employees Requested by Contractor

Job Description	Classification Level Ex/Journey or Apprentice	Number Requested	Report Date	Report Time

Union Use Only

Received By: _____ Date: _____ Dispatch Date _____

Total # Dispatched: _____ #1st Priority _____ #2nd Priority _____ #3rd Priority _____ #Other _____

Comments: _____



FOR CONTRACTOR USE

EMPLOYMENT & TRAINING REQUISITION FORM

Contractor: Please complete the following form and e-mail to Ramsey County Workforce Solutions Job Connect Coordinator John O'Phelan at jobconnectmn@co.ramsey.mn.us and section3program@ci.stpaul.mn.us.

The subject line of the e-mail should contain the Project Name and Number. This form will be used to advertise available training and employment opportunities related to Section 3 Projects.

If the job requires a specific application that is available on-line,

If you have questions about Job Connect please contact John O'Phelan at jobconnectmn@co.ramsey.mn.us. You may also review the employment advertisement at www.jobconnectmn.com.



City of Saint Paul HUD Section 3 Program

EMPLOYMENT & TRAINING OPPORTUNITY

Date Submitted: _____

Project Name: _____ Project Location: _____

Company Information

Name of Company: _____

Contact Person: _____ Title: _____

Phone: _____ Fax: _____

Email: _____ Web Address: _____

Company Address: _____

Position Information

Position Title: _____ Hours Per Wk: _____ Wage: _____

Application/Resume Deadline: _____

Link to online Application: _____

Type of Position Perm () Temp () FT () PT () Seasonal ()

Required/Preferred Skills Qualifications:

How to Apply: Fax () Mail () E-mail () In-Person () Call ()