

WETHERSFIELD SECTION 3 PLAN

This Plan will serve as the Section 3 Plan in compliance with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 as amended (12. U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low and very low-income person, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low-income persons.

APPLICABILITY: The Section 3 Plan applies to federal activities for housing and community development.

PURPOSE: The purpose of this Plan is to provide to the greatest extent feasible economic opportunities for low and very low-income persons in the form of training, employment, contracting and other economic opportunities arising in connection with the expenditure of housing assistance (including section 8 assistance) and community development assistance that is used for the following types of projects:

- (1) Housing Rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement).
- (2) Housing construction; and
- (3) Other public construction

THRESHOLD FOR TRAINING AND EMPLOYMENT OPPORTUNITIES

These requirements apply to housing and community development activities for which the amount of the assistance received from Department of Economic and Community Development exceeds \$200,000.

NUMERICAL GOALS FOR TRAINING AND EMPLOYMENT OPPORTUNITIES

The Town of Wethersfield will to the greatest extent feasible when awarding contracts or conducting training opportunities for new hires resulting from activities or projects subject to the requirements of Section 3 strive to comply with goals established in this section.

The goal established in this section apply to the entire amount of section 3 covered assistance awarded in any Federal Fiscal Year (FY) commencing with the first FY following the effective date of this rule.

The numerical goals established in this section represent minimum numerical targets.

Training and employment opportunities will be made available to Section 3 residents as follows:

1. 10 percent of the aggregate number of new hires/training opportunities resulting from funds awarded commencing the first FY following the effective date of this rule wherever feasible shall go to Section 3 residents.
2. 20 percent of the aggregate number of new hires/training opportunities resulting from funds awarded commencing the second FY following the effective date of this rule wherever feasible shall go to Section 3 residents.
3. 30 percent of the aggregate number of new hires/training opportunities resulting from funds awarded continuing thereafter wherever feasible shall go to Section 3 residents.

PREFERENCE FOR SECTION 3 RESIDENTS IN TRAINING AND EMPLOYMENT OPPORTUNITIES

In providing training and employment opportunities generated from the expenditure of Section 3 activities to Section 3 residents, the following order of preference will be followed:

1. First priority will be given to Section 3 residents from the service area or neighborhood in which the Section 3 covered project is located.
2. Second priority will be given to participants in HUD Youthbuild Programs.
3. Third priority will be given to homeless persons residing in the area or neighborhood in which the Section 3 covered project is located for housing constructed under the Stewart B. McKinney Homeless Assistance Act.
4. Other Section 3 residents.

THRESHOLD FOR CONTRACTING AND SUBCONTRACTING

The requirements of this section apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000 and the contract or subcontract exceeds \$100,000.

NUMERICAL GOALS FOR CONTRACTING ACTIVITIES

The goals of this section apply to contracts awards in excess of \$100,000 in connection with a Section 3 eligible project, and it applies to developers, contractors and subcontractors.

The Town of Wethersfield commits wherever feasible to award to Section 3 business concerns:

- (1) At least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and
- (2) At least 3 percent of the total dollar amount of all other Section 3 covered contracts.

PREFERENCE FOR SECTION 3 BUSINESS CONCERNS

The following order of preference will be followed when providing contracting opportunities to the greatest extent feasible to Section 3 businesses:

- (1) First priority will be given to Section 3 business concerns that provide economic opportunities for Section 3 residents in the service area or neighborhood in which the Section 3 covered project is located, and
- (2) Second priority will be given to applicants selected to carry out HUD Youthbuild Programs.
- (3) Other Section 3 Residents

Procurement/activities from this award will be conducted in a competitive manner, consistent with 24 CFR 85.36(c)(2).

In compliance with the Section 3 Plan requirements, the applicant must develop a list of strategies to be adopted for compliance with the stated employment, training and contracting goals. Contracts in excess of \$100,000 must include the Section 3 Clause.

If federal and state funds are combined to fund an eligible Section 3 project, the combined amount is subject to the Section 3 requirements.

In compliance with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, we the undersigned have read and have received a copy of the Section 3 Plan for this project. We acknowledge being a party to this Plan and further pledge our commitment to adhere to the objectives set forth.

ELIGIBILITY FOR PREFERENCES: Business concerns requesting consideration to the above preferences may be required to submit evidence or certify, if requested; that the business concern is a Section 3 business.

For purposes of this Plan a Section 3 business concern is defined as businesses that (1) is 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 qualification set forth in (1) and (2) above.

MECHANISM TO BE ADOPTED TO COMPLY TO THE GREATEST EXTENT FEASIBLE WITH THE STATE TRAINING, EMPLOYMENT AND CONTRACTING OBJECTIVES/GOALS:

SECTION 3 CLAUSE

All contracts subject to the Section 3 requirements will include the following clause:

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 worker's 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.

NOTICE OF FUNDING AVAILABILITY

All Community Development Block Grants Programs subject to the requirements of Section 3 and that are awarded on a competitive basis for housing rehabilitation, construction, or other public construction, where the amount to be awarded to the applicant exceeds \$200,000 will include in the NOFA Section 3 statement, informing the prospective applicants that the funds are subject to these requirements.

The following statement will be included: consistent with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended to the greatest extent feasible and consistent with existing Federal, State and local laws training and employment opportunities,

contracting and other economic opportunities derived from these funds must be given to Section 3 residents and Section 3 business concerns.

Unless precluded by statute, NOFA is subject to these requirements will include criteria and the rating points to be assigned to the evaluation of the Section 3 compliance.

REPORTING AND RECORD KEEPING REQUIREMENTS

The Town of Wethersfield will submit an annual report to Department of Economic and Community Development in such form and with such information as the Affirmative Action Office may require for the purpose of determining the effectiveness of this Plan.

FILING AND PROCESSING COMPLAINTS

Any individual or business concern alleging that this agency or any of its recipient of funds are in violation of the requirements of this Act, may file a complaint with the Agency's Affirmative Action Office. Complaints filed with this office will follow the internal grievance procedure. Complaints may also be filed with the Assistance Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development, Washington, D.C. 20410.

GOOD FAITH EFFORT

At a minimum, the following tasks will be completed to demonstrate a good faith effort with the requirements of Section 3. The contracting party and each contractor or subcontractor seeking to establish a good faith effort as required should be filling all training positions with persons residing in the target areas.

1. Send notices of job availability subcontracting opportunities subject to these requirements to recruitment sources, trade organizations and other community groups capable of referring eligible Section 3 applicants, including the Department of Labor and the Department of Administrative Services website.
2. Include in all solicitations and advertisements a statement to encourage eligible Section 3 residents/firms to apply.
3. When using a newspaper of major circulation to request bids/quotes or to advertise employment opportunities to also advertise in minority-owned newspapers.
4. Maintain a list of all residents from the target area who have applied either on their own or by referral from any service, and employ such persons, if otherwise eligible and if a trainee position exists. (If the contractor has no vacancies, the applicant, if otherwise eligible, shall be listed for the first available vacancy). A list of eligible applicants will be maintained for future vacancies.

Jeffrey K. Bridges, Jr., Town Manager

Date: August 19, 2013