

**Section 3 Recipient Plan Name of Recipient**

**Address, Email, Phone, Website**

**Name of Authorized Representative**

**Program/Project Name(s)**

**Date**



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# Overview and Instructions for the Section 3 Recipient Plan Template

The purpose of this document is to provide Recipients of CDBG-DR funds with a template to successfully meet compliance requirements with HUD Section 3 hiring, training and contracting goals. Use of this template and the provision of supporting documentation[[1]](#footnote-1) is voluntary. Recipients may choose to provide PRDOH with an alternate plan and supporting evidence of compliance with Section 3 goals, to the greatest extent feasible.

A Section 3 Recipient Plan should include the following at minimum:

1. Recipient Basic Information: Name, address, contact information, website
2. Identification of a Section 3 Coordinator
3. Identification of the Project Area(s)
4. Specific information about the recipient’s current workforce and any foreseeable hiring needs;
5. A firm commitment to document and report efforts that will be made to notify Section 3 business concerns of contracting opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible.
6. A firm commitment to review any Section 3 Self-certification forms and review and request supporting documentation.
7. Provide a process for any Section 3 Complaints to be filed and addressed and agree to notify PRDOH in the event of such complaints.[[2]](#footnote-2)
8. Indicate ability to complete required reporting for Section 3 hiring and contracting at least on a quarterly basis[[3]](#footnote-3).

## Instructions for using the Section 3 Recipient Plan Template:

This template contains Tables A – E for the recipient to complete by adding text in the areas indicated in the tables below. All areas within the tables and marked as “[Type Here]” or with sample entries should be completed and customized with the information from the recipient. The template also includes various sections where the recipient can opt to check the box, add their name and complete the section using the language provided to indicate their intentions to comply with the respective requirement. This plan and all supporting documentation should be emailed to: **Section3CDBG@vivienda.pr.gov***.*

# Section 3 Recipient Plan

## Table A - Basic Information

|  |
| --- |
| **[Type Name of Recipient] Information** |
| **Recipient of CDBG-DR:** | [ ] PRDOH[ ] Other **\_\_**[Type here]**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Federal ID #** | [Type here] |
| **Official Name** | [Type here] |
| **Total Obligated Amount** | $ [Type here] |
| **Amount obligated to each program / project** | Name of Program/ Project: Amount: $ [Type Here] | [Type Here] |
| Name of Program/ Project:Amount: $ [Type Here] | [Type Here] |
| Name of Program/ Project:Amount: $ [Type Here] | [Type Here] |
| Name of Program/ Project:Amount: $ [Type Here] | [Type Here] |
| Name of Program/ Project:Amount: $ [Type Here] | [Type Here] |
| **Name of Assigned Section 3 Coordinator** | [Type Here] |
| **Section 3 Coordinator Contact Information Direct Email and Direct Line** | [Type Here] |

## Section 3 Policy Overview

As the recipient of CDBG-DR funding, **[Type Name of Recipient]** acknowledges and intends to comply with Section 3 (24 C.F.R. Part 135.30) of the Housing and Urban Development Act of 1968, as amended (12 U.S.C.1701u)1 which is intended to ensure that, to the greatest extent feasible, low- and very low-income persons receive benefits in employment and related economic opportunities when such opportunities are generated by funding from HUD. **[Type name of recipient]** will comply with encouraging economic opportunities for households who are Recipients of government assistance for housing. **[Type name of recipient]** Section 3 program will enforce that as recipients of HUD funds, to the greatest extent feasible, will provide (a) employment, training and (b) contracting opportunities for low- or very low-income residents in connection with covered construction and covered non-construction projects.

## Section 3 Plan Purpose

This document serves as the Section 3 Plan for the **[Type name of recipient]** work on the **[ Type name of all Program(s)/Project(s)]** funded by CDBG-DR in compliance with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. This document contains goal requirements for awarding contracts to Section 3 Business Concerns and employment opportunities for Section 3 Residents.

These regulations will not be construed to mean that **[Type name of recipient]** is required to hire Section 3 residents or award contracts to Section 3 business concerns other than as needed to fulfill regulatory obligations for covered projects and activities.

**[Type name of recipient]** understands we are *not required to hire or enter into contracts with unqualified Section 3 residents or business concerns simply to meet the Section 3 goals, as anyone selected for contracting or employment opportunities must meet the qualifications for the job/contract being sought.*

**[Type name of recipient]** will comply with documenting our outreach efforts and, to the greatest extent feasible, attempt to source qualified Section 3 residents and business concerns to meet the goal. If the expenditure of funding for an otherwise covered project and activity does not result in new employment, contracting, or training opportunities, we will complete the required efforts documentation and complete reporting to PRDOH.

# Goals for Training, Employment, and Contracting Opportunities

**[Type name of recipient]** will commit to at least the minimum employment, contracting and training goals identified in 24 C.F.R. 135 which apply to contract awards in excess of one hundred thousand dollars ($100,000) in connection with a Section 3 covered project and new hiring. **[Type name of recipient]** will apply these minimum goal requirements to their contractors and subcontractors. Recipients will, to the greatest extent feasible, strive to comply with the goals established.

Any contractor that does not meet the Section 3 numerical goals must demonstrate why meeting the goal was not feasible. The minimum goals are:

The table below indicates information that identifies how we specifically plan on meeting the Section 3 goals outlined in 24 C.F.R. §135 for training employment and contracting.

## Table B Section 3 Training, Employment and Contracting Information

|  |
| --- |
| [Type Name of Recipient] Section 3 Training, Employment and Contracting Information |

|  |  |
| --- | --- |
| *Number and types of training opportunities for CDBG-DR funding received.* | [Type Here] |

|  |  |
| --- | --- |
| Number and types of training opportunities that will be provided to Section 3 Residents on this contract. | [Type Here] |

|  |  |
| --- | --- |
| *Number and type of open employment opportunities you will provide for the use of CDBG-DR funding.* | [Type Here] |

|  |  |
| --- | --- |
| Number and type of open employment positions that will be awarded to Section 3 Residents. | [Type Here] |
| Types (NAICS Code) of subcontracting opportunities on this contract. | [Type Here] |
| Type and Number of Section 3 subcontracting opportunities that will be provided to Section 3 Business Concerns. | [Type Here] |

# Section 3 Business Concerns

**[Type Name of Recipient]** will enforce and identify contracting opportunities forSection 3 Business Concerns. Section 3 Business concerns will have to provide evidence that they meet one of the following criteria outlined below by completing a PRDOH Section 3 Business Self-Certification Form and providing supporting documentation for review. Section 3 businesses can be identified by the following:

**Business Ownership**

Business concerns that are fifty-one percent **(51%) or more owned** by residents of the housing development for which the Section 3 covered assistance is expended or a verified Section 3 Resident.

**Employees for the Business**

Businesses whose **full-time, permanent workforce includes thirty percent (30%) of these persons as employees;** or within three (3) years of the date of first employment.

**Subcontracting**

Businesses who **provide evidence of a commitment to subcontract in excess of twenty-five percent (25%)** of the dollar award of all subcontracts to be awarded to other Section 3 businesses.

Businesses who are able to provide evidence of one or more of the above areas should submit their documentation to **[Type Name of Recipient]** for review.

**[Type Name of Recipient]** will complete the outreach efforts as outlined in this plan to uncover Section 3 businesses when possible and source and provide lists to contractors when requested.

Businesses claiming status as a Section 3 Business Concern should also register on the HUD Section 3 site[[4]](#footnote-4) and complete the PRDOH Section 3 Business Self-Certification form and provide supporting documentation for review.

# Section 3 Business Self-Certification Forms

By checking this box [ ]  I, **[Type Name of Recipient]**, will assign staff to perform the review any self-certifications provided and complete all due diligence to ensure validity of information and supporting documentation provided before submitting to PRDOH.(See *Section 3 Business Self-Certification Form*)

# Section 3 Residents

**[****Type Name of Recipient]** will ensure and provide when possible training and employment opportunities to Section 3 Residents. Individuals are considered Section 3 Residents if they receive public housing assistance or qualify by income.

Residents seeking to show they are Section 3 status must complete the PRDOH *Section 3 Individual Self-Certification Form* and provide supporting documentation to **[Type Name of Recipient]** for review.

# Section 3 Resident Self-Identification Form

By checking this box [ ]  I, **[Type Name of Recipient]**, will assign staff to review any self-certifications provided and complete all due diligence to ensure validity of information and supporting documentation provided before submitting this to PRDOH. (See *Section 3 Individual Self-Certification Form*)

# Documentation of Efforts

By checking this box [ ]  I, **[Type Name of Recipient]**, understand and list the available types of efforts for Section 3 hiring and contracting as listed in the PRDOH Section Guidelines and as identified by HUD at 24 C.F.R. §135.

**[Type Name of Recipient]** agree to document efforts for hiring and contracting Section 3 Residents and businesses to the greatest extent feasible. I will enforce documentation of hiring and contracting efforts with all subcontractors. I am aware that I can opt to use a PRDOH template to provide documentation of efforts for use. **[Type Name of Recipient]** will be able to provide metrics or other reports on their efforts as needed.

Non-exhaustive lists are provided below:

## Efforts to Offer Training and Employment Opportunities to Section 3 Residents

* Sponsor or establish training and employment programs for Section 3 residents.
* Advertise employment and training positions in the project service area or neighborhood by distributing flyers (positions to be filled/qualifications/resource for information)
* Advertise in the common areas or other prominent areas of the housing development
* Contact resident councils, community organizations, state-local agencies, probation-parole agencies, unemployment compensation programs, and other applicable officials or organizations to assist with recruiting Section 3 residents.
* Sponsor a job fair or informational meeting for residents
* Provide assistance in job-seeking skills to Section 3 residents
* Consult with local employment service providers.
* Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other Section 3 residents in the building trades.
* Coordinate activities with local educational institutions.
* Maintain file of eligible, interested applicants.

## Efforts to Award Contracts to Section 3 Businesses Concerns

* Contact business assistance agencies, minority contracting associations and community organizations to inform them of opportunities and seek assistance in identifying eligible businesses.
* Bid and solicitations: Provide bid notices to all known Section 3 businesses, develop a Section 3 business communication network.
* Emphasize Section 3 at pre-bid conferences, coordinate pre-bid meetings at which section 3 business concerns can be informed of upcoming contracting and subcontracting opportunities.
* Conduct contractor workshops.
* Provide small business technical assistance.
* Provide section 3 business concerns with resources for seeking assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.
* Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, radio, or PRDOH
* Notify Youth build agencies of contracting opportunities.
* Establish numerical goals for award of contracts to Section 3 businesses.
* Encourage financial institutions to comply with their Corporate Responsibility Act requirements by making loans to Section 3 businesses.
* Actively support joint ventures with Section 3 businesses.
* Support business incubators which assist Section 3 businesses
* In determining the responsibility of potential contractors, consider their past record of section 3 compliance and their current plans for the pending contract.
* Following up with section 3 business concerns that have expressed interest in the contracting opportunities.
* Where appropriate, encourage contractors to break out contract work items into economically feasible units to facilitate participation by section 3 Business Concerns.
* Supporting businesses which provide economic opportunities to low income persons by linking them to the support services such as the (SBA), the Department of Commerce and comparable agencies.

## Table C Section 3 efforts to be completed

|  |
| --- |
| [Type Name of Recipient] Section 3 Efforts to be implemented |
| Use and implement this Section 3 Plan Template. | [ ] **Yes** [ ]  **No** |
| Establish a Section 3 Coordinator who will be the primary point of contact for Planning, implementing and reporting on Section 3 requirements. | [ ] **Yes** [ ]  **No** |
| Comply with and encourage contractors to comply with PRDOH’s Section 3 guidelines posted on the PRDOH website. | [ ] **Yes** [ ]  **No** |
| Require and encourage Pre-Bid Meetings and identify Section 3 hiring and contracting opportunities. | [ ] **Yes** [ ]  **No** |
| Host and attend Networking Events for Section 3 hiring and Section 3 contracting opportunities. | [ ] **Yes** [ ]  **No** |
| Encourage your contractors to forward open procurements to potential Section 3 businesses. | [ ] **Yes** [ ]  **No** |
| Forward your own open procurements to potential Section 3 businesses. | [ ] **Yes** [ ]  **No** |
| Source and provide to your contractors a current list of Section 3 individuals. | [ ] **Yes** [ ]  **No** |
| Source and provide to your contractors a list of Resident Associations/ organizations. | [ ] **Yes** [ ]  **No** |
| Partner with One Stop Career Center[[5]](#footnote-5) and other nonprofits or trade schools working to place individuals into job and training opportunities to source additional Section 3 Residents. | [ ] **Yes** [ ]  **No** |
| Make mandatory the use of the PRDOH “Model Contract Section 3 Clause”[[6]](#footnote-6) in all contracts and your contractor’s sub-contracts. | [ ] **Yes** [ ]  **No** |
| List Additional Efforts:  | [ ] **Yes** [ ]  **No** |
| List Additional Efforts: | [ ] **Yes** [ ]  **No** |

# Outreach Efforts

Outreach Efforts will be completed on an ongoing basis throughout the life of the programs or projects. The table below specifically outlines the plan to achieve those outreach effort objectives.

## Table D Outreach Efforts to be completed

| **[Type Name of Recipient] Outreach Efforts** |
| --- |
| List of all the resident associations / organizations that will be reached out to. | [Type Here]Sample: Letters to Public Housing administrators for job opening in Aguadilla and Dorado on 1/9/2020. Copies available to view. |
| Newspapers, magazines, journals or other periodicals where job openings will be advertised  | [Type Here]Sample: Will market apprenticeship for project x posted in Clasificados (2 weeks), El Metro (2 weeks) starting on 1/9/2020. |
| Specific locations where posters or flyers for training events or networking events will be displayed for recruitment locally | [Type Here]Sample: Will post all job openings such as foreman job opening at all Econo Supermarkets and local churches including Parroquia San Antonio Abad in Guanica near the project site on the second Friday of the month. |
| List of labor unions, or apprentice programs that will be contacted. | [Type Here]Sample: Will contact Unión de Tronquistas with job opening and training program opportunity. |
| Training events for Section 3 Residents that will be sponsored this year. dates, topic and intended audience are included  | [Type Here]Sample: 1/3/2020 Osha 10 Training, PH residents NE Region.  |

|  |
| --- |
| Additional Outreach Efforts to be Taken:[Type Here] |

# Section 3 Reporting

By checking this box[ ]  I, **[Type Name of Recipient]**, using CDBG-DR funding acknowledge, certify and firmly commit to completing all quarterly reporting identified by PRDOH for the purposes of federal reporting and shall maintain copies of the following types of supporting documentation as applicable:

* Reporting summary with metrics of strategies selected or described above;
* A narrative that explains any impediments;
* Maintain a database of supporting raw data;
* Copies of any Self-Certification forms for individuals and businesses; and/or
* Any additional ad-hoc reports or data requested.

# Section 3 Complaints Process

By checking this box, [ ]  I, **[Type Name of Recipient]** am adopting and will enforce this complaints process with my contractors as outlined below.

Pursuant to 24 C.F.R. §135.76, should any of the following individuals or businesses believe that if [**Type Name of Recipient],** contractor or subcontractor has violated the provisions of Section 3 or alleges noncompliance with Section 3, they may file a complaint to the Fair Housing and Equal Opportunity (**FHEO**) office:

* Any Section 3 Resident on behalf of himself or herself, or as a representative of persons similarly situated, seeking employment, training or other economic opportunities generated from the expenditure of Section 3 covered assistance with a recipient or contractor, or by a representative who is not a Section 3 Resident but who represents one or more Section 3 Residents;
* Any Section 3 Business Concern on behalf of itself, or as a representative of other Section 3 Business Concerns similarly situated, seeking contract opportunities generated from the expenditure of Section 3 covered assistance from a recipient or contractor, or by an individual representative of Section 3 Business Concerns.

The time for filing complaints must meet the following requirements:

* A complaint must be received not later than one hundred eighty **(180) days** from the date of the action or omission upon which the complaint is based, unless the time for filing is extended by the FHEO, for good cause shown. 24 C.F.R. §135.76 (c)(1).
* Where a complaint alleges noncompliance with Section 3 and the regulations of this part that is continuing, as manifested in a number of incidents of noncompliance, the complaint will be timely if filed within one hundred eighty **(180) days** of the last alleged occurrence of noncompliance. 24 C.F.R. §135.76 (c)(2).
* Where a complaint contains incomplete information, the FHEO shall request the needed information from the complainant. In the event this information is not furnished to the FHEO within sixty **(60) days** of the date of the request, the complaint may be closed. 24 C.F.R. §135.76 (c)(3).

Complaints must be in writing, signed by the complainant and should include the following:

* Complainant's name and address;
* Name and address of the respondent; and
* A description of the acts or omissions by the respondent that is sufficient to inform the FHEO of the nature and date of the alleged noncompliance.

A complainant may provide information to be contained in a complaint by telephone to HUD or any HUD Field Office, and HUD will reduce the information provided by telephone to writing on the prescribed complaint form and send the form to the complainant for signature. 24 C.F.R. §135.76 (d)(iv).

For more information about the complaint’s process, please refer to <https://www.cdbg-dr.pr.gov/en/citizen-assistance/section-3/>

## Table E Final Certifications and Opt. Ins

|  |  |
| --- | --- |
| **Final Certification and Opt. Ins**  | [ ] By checking this box,I attest that all information provided in my Section 3 Plan is true and intentional.[ ] By checking this box,I attest all supporting documents to be provided will be true and factual.[ ]  By checking this box,I would like to receive lists from PRDOH upon request about eligible Section 3 Businesses and Residents available to work.[ ] By checking this box,I would like to receive notifications from PRDOH or other Recipients about upcoming networking events. |
| Signature of Authorized Representative | [Insert Signature Here] |
| Type Name of Authorized Representative | [Type Here] |
| Date | [Type Here] |

This plan and all supporting documentation should be emailed to **Section3CDBG@vivienda.pr.gov***.*

1. Examples of acceptable evidence to determine eligibility for preference is proof of residency in a public housing development, receipt of public assistance, or evidence of participation in a public assistance program. [↑](#footnote-ref-1)
2. They should include an email or contact person with whom they can file a grievance and indicate they will share information with PRDOH. [↑](#footnote-ref-2)
3. They should be conscientious that reporting on Section 3 contracts, hiring, and efforts is an obligation that they must meet without exception. [↑](#footnote-ref-3)
4. Site found at <https://www.hud.gov/section3> [↑](#footnote-ref-4)
5. <https://www.onestopcareerpr.org/> [↑](#footnote-ref-5)
6. Section 3 clause language must adhere to the language in 24 C.F.R. §135.38 and as required by PRDOH Section 3 Policy. [↑](#footnote-ref-6)