

TRAVAUX INC.
C/O HOUSING AUTHORITY OF THE CITY OF MILWAUKEE
809 NORTH BROADWAY
MILWAUKEE, WISCONSIN 53202

BID PACKAGE 9013

REQUEST FOR QUOTATIONS

SAFETY INSPECTION SERVICES
AT WESTLAWN GARDENS PHASE 2

ISSUE DATE: APRIL 29, 2022

This DOES NOT represent a commitment to buy.
Any ACTUAL order resulting from this solicitation will be confirmed by a Travaux purchase order.

Prospective Bidder:

TRAVAUX INC. C/O THE HOUSING AUTHORITY OF THE CITY OF MILWAUKEE, Milwaukee, Wisconsin, will receive quotations for **Safety Inspection Services at Westlawn Gardens Phase 2** until **2:00 PM (CDST) on Friday, May 6, 2022**, at the Modernization & Development Services office located at 401 East Ogden Avenue, Milwaukee, WI 53202.

Quotations may be mailed/delivered to the office, or emailed to Tim Hoyer of Travaux/Housing Authority at tim.hoyer@travauxinc.com.

Regardless of method of conveyance, quotations must be received by the due date and time.

Questions regarding scope, terms and conditions, and bidding may be directed to Tim Hoyer of Travaux/Housing Authority, 414-209-1807, tim.hoyer@travauxinc.com.

Questions regarding Emerging Business Enterprises (EBE), Section 3, and WHEDA requirements may be directed to Konita Jude of the Housing Authority, 414-286-2940, kpjude@hacm.org.

SCOPE:

This Request for Quotations is for Safety Inspection Services at Westlawn Gardens Phase 2 (located in the area bound by W Silver Spring Dr, W Custer Ave, N 60th St, and N 68th St, Milwaukee, WI 53218).

Safety inspections and reports shall be on an as-needed basis.

Bidders must submit their pricing to include the following:

- Services shall be billed per hour (\$/hour).
- Other pricing for additional/ancillary services related to Safety Inspection Services.

TERMS AND CONDITIONS:

1. Pricing and Term of Contract/Purchase Order:

Pricing shall be firm for an initial term of one (1) year.

The contract/purchase order may be extended up to four (4) additional one-year terms upon mutual consent of both parties.

Re-negotiation of pricing may be entertained at the time of each extension but is not guaranteed.

Contractor shall provide lien waiver and/or release if requested.

Pricing obtained from this Request for Quotations may be extended to other project sites as needed.

2. Use and Sales Tax:

This solicitation is NOT exempt from Wisconsin Use and Sales Tax.

Bidders, therefore, shall add any applicable State of Wisconsin Sales Tax or Use Tax to their proposals when bidding to Travaux Inc. and shall include in their bids the taxes they will be required to pay directly as a consumer when obtaining materials, equipment, etc. to fulfill the contract requirements, should they be the successful bidder.

Bidders are ultimately responsible for determining the impact of the State of Wisconsin's Sale and Use Tax on their bids.

3. General Conditions for Non-Construction Contracts - Section I (With or Without Maintenance Work) (HUD-5370-C):

See attached "General Conditions for Non-Construction Contracts - Section I (With or Without Maintenance Work)" (HUD-5370-C), which shall apply to this Request for Quotations.

4. EBE Requirements:

See the attached "Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises".

Bidder shall complete Form A (Affidavit of Compliance) and Form B (List of EBE Subcontractors) and submit with quotation.

Bidder must complete these forms even if bidder does not have a need to subcontract and/or if bidder is not itself a certified EBE.

5. Section 3 Requirements:

See the attached "Section 3 Plan".

Bidder shall complete Business Self-Certification Form, Individual Self-Certification Form, and Acknowledgement and Affidavit Form and submit with quotation.

Bidder must complete these forms even if bidder does not have a need to subcontract or hire and/or if bidder is not itself a certified Section 3 business.

6. Award of Contract/Purchase Order:

Travaux Inc. reserves the right to: reject any and all bids, quotations, or proposals; waive informalities, technical defects, and minor irregularities; award by item or in the aggregate; make multiple awards; and, accept the bid, quotation, or proposal (if any) deemed most advantageous to and in the best interests of Travaux Inc.

Award may be based on price, bidder's availability to provide the specified goods and/or services when required, and bidder's expertise and past performance.

A late modification of an otherwise successful bid, quotation, or proposal that makes its terms more favorable to Travaux Inc. may be considered at any time it is received and may be accepted.

TRAVAUX INC.
C/O HOUSING AUTHORITY OF THE CITY OF MILWAUKEE
P.O. BOX 324
MILWAUKEE, WISCONSIN 53201
BY: WILLIE L. HINES, JR., SECRETARY-EXECUTIVE DIRECTOR

04/29/2022

General Conditions for Non-Construction Contracts

Section I — (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (excl. 11/30/2023)

Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$250,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 905.100) **greater than \$2,000 but not more than \$250,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$250,000 — use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$250,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

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- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
 - (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section 111, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - () The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(v) The prohibition does not apply as follows:

- (1) Agency and legislative liaison by Own Employees.
- (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.
- (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
- (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
 - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
- (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
- (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
 - (i) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
 - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the

Contractor/Seller agrees as follows:

(a) The [contractor/seller] will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. The

[contractor/seller] will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(b) The [contractor/seller] will, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, disability, or national origin.

(c) The [contractor/seller] will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the [contractor/seller]'s legal duty to furnish information.

(d) The [contractor/seller] will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the [contractor/seller]'s commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The [contractor/seller] will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The [contractor/seller] will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) The [contractor/seller] will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub[contractor/seller] or vendor. The [contractor/seller] will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the [contractor/seller] becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the [contractor/seller] may request the United States to enter into such litigation to protect the interests of the United States.

17. Equal Opportunity for Workers with Disabilities

1. The [contractor/seller] will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The [contractor/seller] agrees to take affirmative action to employ and advance in employment individuals with disabilities, and to treat qualified individuals without discrimination on the basis of their physical or mental disability in all employment practices, including the following:

- i. Recruitment, advertising, and job application procedures;
- ii. Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
- iii. Rates of pay or any other form of compensation and changes in compensation;
- iv. Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
- v. Leaves of absence, sick leave, or any other leave;
- vi. Fringe benefits available by virtue of employment, whether or not administered by the [contractor/seller];
- vii. Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
- viii. Activities sponsored by the [contractor/seller] including social or recreational programs; and
- ix. Any other term, condition, or privilege of employment.

2. The [contractor/seller] agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

3. In the event of the [contractor/seller] noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

4. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the [contractor/seller]'s obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities.

The [contractor/seller] must ensure that applicants or employees with disabilities are provided the notice in a form that is accessible and understandable to the individual applicant or employee (e.g., providing Brail or large print versions of the notice, or posting a copy of the notice at a lower height for easy viewing by a person using a wheelchair). With respect to employees who do not work at a physical location of the [contractor/seller], a [contractor/seller] will satisfy its posting obligations by posting such notices in an electronic format, provided that the [contractor/seller] provides computers, or access to computers, that can access the electronic posting to such employees, or the [contractor/seller] has actual knowledge that such employees otherwise are able to access the electronically posted notices. Electronic notices for employees must be posted in a conspicuous location and format on the company's intranet or sent by electronic mail to employees. An electronic posting must be used by the [contractor/seller] to notify job applicants of their rights if the [contractor/seller] utilizes an electronic application process. Such electronic applicant notice must be conspicuously stored with, or as part of, the electronic application.

5. The [contractor/seller] will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the [contractor/seller] is bound by the terms of section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment, and shall not discriminate against, individuals with physical or mental disabilities.

6. The [contractor/seller] will include the provisions of this clause in every subcontract or purchase order in excess of \$ 10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director, Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

7. The [contractor/seller] must, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment and will not be discriminated against on the basis of disability.

18. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

19. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

20. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

21. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

22. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (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 75, 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 75 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 prioritization requirements, and shall state the minimum percentages of labor hour requirements established in the Benchmark Notice (FR-6085-N-04)..
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. 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 75.
- (e) Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts
- (f) Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of 24 CFR Part 75.

23. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered

materials practicable consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)
PRIME CONTRACTOR FORMAL CONTRACT PROVISIONS
FOR SUBCONTRACTING WITH EMERGING BUSINESS ENTERPRISES**

I. GENERAL

A. The HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM) is its own Contracting Officer and shall make every feasible effort to ensure that Emerging Business Enterprises (EBEs) shall participate in all formal contract activities. EBEs include Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), Disadvantaged Business Enterprises (DBEs), Small Business Enterprises (SBEs), Veteran Owned Business Enterprises (VOBs), and other designations as determined by the source of contract dollars as explained below.

1. Where Federal (HUD) funding is involved, these provisions shall ensure MBEs and/or WBEs in accordance with Public Law 95-507 and 2 CFR 200.321. The target participation percentage is 20% or more or any combination thereof. MBEs and WBEs must be currently certified by race and gender-based certification program such as the State of Wisconsin Department of Administration (DOA), other Wisconsin government entities, or entities within the Federal Government.
2. Where Non-Federal funding is involved, the target participation percentage is 20% or more of MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof. These firms must be certified by a Wisconsin governmental entity.
3. Where mixed funding is involved, i.e. Federal (HUD) and Wisconsin Housing and Economic Development Authority (WHEDA), the target participation percentage is 25%, of which 20% must be MBE, WBE, or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB)

B. **This contract calls for:**

- Federal (HUD) 20 % MBE, WBE, or any combination thereof subcontract participation.
- Non-Federal 20 % MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof subcontract participation.
- Mixed Funding (HUD and WHEDA) 25 % overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof.

C. The Prime Contractor shall prepare and submit timely and accurate EBE utilization forms and reports to HACM. The forms and reports shall include but not be limited to the following:

1. Form A: Prime Contractor Affidavit of Compliance (contractor's commitment to EBE percent participation)
2. Form B: Prime Contractor List of EBE Subcontractors
3. Electronic Vendor Compliance Reporting System: HACM's Electronic Vendor Compliance Reporting System at <https://hacm.diversitycompliance.com> (B2Gnow) will be utilized during the term of this contract. The Prime Contractor and its subcontractors must provide all necessary information, when requested, for account setup and shall report all payments in the system. In addition, the Prime Contractor and its subcontractors shall provide all required compliance data with respect to any applicable EBE requirements via the electronic system. The Prime Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Prime Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

Failure to submit the required forms and reports fully completed to HACM may result in actions, such as rejection of the bid or proposal, delay of payments, or other appropriate actions. Final contract payments shall not be made until final EBE subcontractor payment certification forms are on file with HACM.

D. During the performance of this contract, HACM reserves the right to conduct compliance reviews of the Prime Contractor and EBE subcontractors and require documentation that will indicate levels of compliance by the Prime

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

Contractor and EBE subcontractors. If a contractor is not in compliance with the specifications, HACM will notify the contractor in writing of the need to take corrective action. If the contractor fails or refuses to take corrective action as directed, HACM may take one or more of the following actions:

1. Terminate or cancel the contract, in whole or in part.
2. Recommend HUD debarment of the Prime Contractor from award of a Federally-funded contract.
3. Withhold payments on the contract.
4. Any other remedy available to HACM at law or in equity.

II. DEFINITIONS

- A. *Disadvantaged Business Enterprise (DBE)* means a small business concern that is owned, operated, and controlled by one or more disadvantaged individuals. The disadvantaged individuals must have day-to-day operational and managerial control, as well as, interest in capital, financial risks, and earnings commensurate with the percentage of their ownership.
- B. *Disadvantaged Individual*, means a person who is a citizen or lawful permanent resident of the United States and who has experienced and who continues to experience substantial difficulty in achieving business-related success.
- C. *Minority Business Enterprise (MBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minorities (as defined below) and whose management and daily operations are controlled by one or more minority owners.
- D. *Minority*, means a person who is a citizen or a lawfully admitted permanent resident of the United States who is a member of one of the following groups:
1. *Black Americans*, includes persons having origins in any of the Black racial groups of Africa.
 2. *Hispanic Americans*, includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.
 3. *Native Americans*, includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 4. *Asian-Pacific Americans*, includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas;
 5. *Asian-Indian Americans*, includes persons whose origins are from India, Pakistan, and Bangladesh.
 6. *Hasidic Jewish Americans*, In conjunction with HUD and the community, recognized membership in this group will be addressed on a case-by-case basis.
- E. *Women Business Enterprise (WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more women and whose management and daily business operation are controlled by one or more women owners.
- F. *Minority/Women Business Enterprise (M/WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minority women and whose management and daily business operations are controlled by one or more minority women owners.
- G. *Small Business Enterprise* means a business that is independently owned, not dominant in its field of operation, and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- H. *Joint Venture* shall be eligible under this program if the EBE or partners own at least fifty-one percent (51%) of the joint venture and share to an equivalent percent in the management responsibilities, risks, and profits of the joint venture, as well as being responsible for a clearly defined portion of the work performed.
- I. *Owned, Operated, and Controlled*, means a business that meets one of the following:

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

1. A sole proprietorship legitimately owned and controlled by an EBE.
2. A partnership or joint venture legitimately owned, operated, and controlled by disadvantaged individuals, minority individuals, or women who own at least 51% of the beneficial ownership interests in the enterprise and who hold at least 51% of the voting interests of the enterprise.
3. A corporation legitimately owned, operated, and controlled by one or more minority individuals or women, if applicable, who own at least 51% of the outstanding shares and who hold at least 51% of the voting interests of the corporation.

III. EBE UTILIZATION REQUIREMENTS

A. MBE, WBE (Federal)

Twenty percent (20%) or more MBE and/or WBE participation. Note that MBE and/or WBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE and WBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

B. MBE, WBE, DBE, EBE, SBE, VOB (Non-Federal)

Twenty percent (20%) or more MBE, WBE, DBE, EBE, SBE, and/or VOB participation. Note that MBE, WBE, DBE, EBE, SBE, and/or VOB participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE, WBE, DBE, EBE, SBE and/or VOB commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

C. Mixed Funding (HUD and WHEDA)

Twenty-five percent (25%) or more **overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof**, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof. Note that EBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. EBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

D. The determination of an EBE shall be based on the following criteria:

1. The firms identified as EBE by the Prime Contractor on Form B, "Prime Contractor List of EBE Subcontractors," must be certified by one of the specified agencies prior to bid opening.
2. The Prime Contractor shall pay special attention to the area(s) specified as the business specialty by the applicant business in the certification application. New or expanded business specialties are subject to certification review by the certifying agency.
3. The Prime Contractor shall be credited for the entire expenditure to an EBE only if all of the identified scope of work has a commercially useful function in the actual work of the contract and is performed directly by the certified EBE.
4. The Prime Contractor shall be credited for the expenditure to an EBE manufacturer only if the manufacturer produces goods from raw materials or substantially alters material for resale. Twenty-percent (20%) or less of the overall EBE participation goal may be expended for EBE suppliers that do not operate or maintain a store, warehouse, or other establishment in which the materials or supplies are kept in stock and regularly sold to the public in the usual course of business. A regular dealer in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Brokers and packagers shall not be regarded as manufacturers or regular dealers within the meaning of this section.
5. The Prime Contractor shall count toward the EBE participation goal only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. EBEs are required to notify the SECTION 3 COORDINATOR in writing if they will further subcontract out work on the contract. SECTION 3 COORDINATOR shall be notified in writing of labor shortages, if any, affecting the contract work. The HACM CONTRACTING OFFICER OR DESIGNEE and SECTION 3 COORDINATOR will make the final

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

- determination and evaluation of whether or not the firm is performing a commercially useful function on the contract.
6. The Prime Contractor shall be credited one hundred percent (100%) of expenditures to an EBE delivery service, hauler, or trucker of materials and supplies required on a job site, but not the cost of the materials and supplies.
 7. The Prime Contractor shall count toward the EBE participation goals only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. The Prime Contractor is required to notify the HACM CONTRACTING OFFICER OR DESIGNEE if its EBEs will further subcontract out work on the contract. Credit will be given based on actual participation by the EBEs. Credit will not be given for work subcontracted by EBEs without prior approval from SECTION 3 COORDINATOR.
- E. The Form A, "Prime Contractor Affidavit of Compliance," must be submitted with the bid or proposal, indicating the appropriate EBE percent (%) participation.
- F. The Form B, "Prime Contractor List of EBE Subcontractors," may be submitted with the bid or proposal. The deadline date for receipt of the list by HACM is the third (3rd) business day following the date of the bid or proposal opening unless by special arrangement with SECTION 3 COORDINATOR. Revision to the initial list is due the second (2nd) business day following receipt of the initial list.
- G. Information on Form B shall include but not be limited to:
1. Each EBE subcontractor's name, address, telephone number, and authorized contact person(s) for the EBEs that will participate on the contract.
 2. A description of the scope of work to be performed by each EBE on the contract.
 3. Each EBE subcontractor's dollar values and corresponding percentages that the dollar values represent of the total contract amount.
 4. Listing of EBEs on Form B shall constitute a representation that the Prime Contractor has communicated directly with the EBEs listed, and agreed to the specified work and dollar values. If awarded the contract, the bidder or offeror shall enter into a written subcontract with each EBE for its portion of the work as indicated.
- H. Failure to submit an Affidavit of Compliance (Form A) may render the bid or offer non-responsive and could result in an award recommendation to the next apparent low bidder or offeror.
- I. Only EBEs that have been certified as such by the specified certification agency may be listed on Form B. The firms shall be counted towards the targeted percentage on this project. Directories of certified firms may be obtained from the specified certification agencies. Copies of EBE's certifications must be submitted with Form B.
- J. After execution of the contract, if for any reason, an EBE cannot perform the specified work, the Prime Contractor shall immediately provide the HACM CONTRACTING OFFICER with a written explanation detailing the reason, and including a request for approval from SECTION 3 COORDINATOR to substitute another certified firm or approval of an EBE if a replacement has been identified.
- K. Approval to delete or replace initial EBEs must be obtained from SECTION 3 COORDINATOR prior to making the deletion or replacement. Any difference in the cost occasioned by such substitution, deletion, or replacement shall be borne by the Prime Contractor.
- L. If the Prime Contractor has a problem in meeting the EBE goal or if any other issues relative to EBEs arise during the completion of this project, the Prime Contractor shall immediately inform the HACM CONTRACTING OFFICER in writing with a copy to SECTION 3 COORDINATOR detailing the issues.
- M. Certification as an EBE from programs other than from those agencies specified is neither accepted by HACM nor has any bearing whatsoever on the eligibility criteria established by the specified certification agencies.

**BIDDER/OFFEROR INSTRUCTIONS
FOR COMPLETING EMERGING BUSINESS ENTERPRISES FORMS**

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE (FORM A)
PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS (FORM B)**

Step 1:

Thoroughly review the “Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises”

Step 2:

Note the type of business(es) targeted for participation on this project. See Article I, Paragraph A, on Page 1 of the Provisions (“This contract calls for...”). This section specifies the type of business(es) and the target participation percentage(s) for this particular contract.

Step 3:

On the Prime Contractor Affidavit of Compliance (Form A), fill in the subcontract percentage participation on the lines(s) that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions.

For example, if the Provisions call for 20% MBE and/or WBE participation, you may indicate the following on the Affidavit of Compliance:

- A. MBEs at 20%; OR
- B. WBEs at 20%; OR
- C. MBEs at 10% and WBEs at 10% (or any combination of percentages totaling the overall target percentage).

Note that the Prime Contractor Affidavit of Compliance is a part of the bid or request for proposals and requires submission with the bid or proposal.

Step 4:

On the Prime Contractor List of EBE Subcontractors (Form B) list businesses that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions. Provide copies of all EBE certifications on Form B.

Note: The Prime Contractor List of EBE Subcontractors (Form B) may be submitted with the bid or proposal but must be submitted within three (3) business days following the bid or proposal opening.

**Questions regarding EBE participation or reporting forms may be directed to:
Gabriel DeVougas, Section 3 Coordinator, at (414) 286-2940 or gmdevou@hacm.org**

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE
FOR PARTICIPATION IN THE HACM EMERGING BUSINESS ENTERPRISE PROGRAM**

Official Notice # _____ **Date:** _____

Project Description: _____

The bidder/offeror's commitment for MBE participation on this project is _____%

The bidder/offeror's commitment for WBE participation on this project is _____%

The bidder/offeror's commitment for DBE participation on this project is _____%

The bidder/offeror's commitment for Other participation on this project is _____%

For Other, indicate type (e.g. EBE, SBE, VOB): _____

HACM may reject and disqualify any bid or proposal that does not include the Emerging Business Enterprise Program. HACM may reject and disqualify any bid if the contractor fails to consider the "Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises."

The undersigned hereby states that he/she has not discriminated in any manner on the basis of race, sex, or national origin in any manner in the preparation of the attached bid or proposal or in the selection of subcontractors or material suppliers for such bid/proposal.

The undersigned acknowledges, understands, and agrees that submission of a bid or proposal shall commit the bidder or offeror to comply with HACM's Emerging Business Enterprise Program, including the submittal of Forms A and B.

The undersigned also states that all the above information is true and correct to the best of his/her knowledge.

Company Name

Authorized Signature and Title

Printed Name

STATE OF _____, COUNTY OF _____

Personally came before me this _____ day of _____, 2_____, who acknowledges that he/she executed the foregoing document for the purpose therein contained for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public _____, **State of** _____, **County of** _____

My Commission Expires: _____

PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS

Date Form B Submitted _____ Initial List/Date _____
 Revised List/Date _____

This form must be fully completed. The deadline for submission of this document to the HACM, by the Prime Contractor, is three (3) business days following the bid or proposal opening date, or with the bid or proposal.

Official Notice # _____ Date: _____

Project Description: _____

Prime Contractor _____

Total Bid/Proposal Amount \$: _____

Consult Article I, Paragraph A, on Page 1 of the Provisions to determine target subcontract percentage and targeted types of business(es) for this particular solicitation.

MBE \$'s: _____ / % of Total Bid DBE \$'s: _____ / % of Total Bid

WBE \$'s: _____ / % of Total Bid Other \$'s: _____ / % of Total Bid

List all proposed subcontractor(s) and material supplier(s) for this project. It is the bidder or offeror's obligation to obtain the appropriate EBE Participation. Copies of EBE certifications must be submitted with this form.

Firm Name, Address, Phone, Email, and Contact Person	M B E	W B E	D B E	Other (indicate type)	Work to be Performed / Material Supplied	% of Total Bid or Proposal	Amount	Signature of EBE owner or representative needed to confirm all information herein



SECTION 3 POLICY

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)
P.O. BOX 324
MILWAUKEE, WI 53201

Office: (414) 286-2940

Website: <https://www.hacm.org>

INTERNAL PROCEDURES, INSTRUCTIONS, and FORMS

This packet is designed to comply with the New HUD Section 3 Final Rule issued September 29, 2020, and became effective November 30, 2020. Therefore, these documents and instructions are related to the “Hours Worked Benchmarks” as called for in the 24 CFR Part 75 regulation. Every contractor and sub-contractor (with the exception of professional services) are required to work toward meeting the prescribed benchmarks as indicated on the bottom of page 10 of this packet. There is no specific hiring or contracting goals under this new rule.

Most importantly, the rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work as would be charged. However, the rule makes clear that HUD is intent on ensuring Section 3 persons employed under the new rule receive measurable and sustainable employment. Therefore, Section 3 employees can be counted for up to five full years from the date of certification or hire respectively. HUD is expected to issue continued guidance on the new rule in the future so these documents may change in accordance with the rule.

If you should have any questions on this packet, please contact our Compliance Consultant:

J. Keith Swiney, President/CEO
Motivation, Inc.
678-794-3066
keiths@motivation-inc.com

Prepared December 9, 2021

Board Approved: March 10, 2022

GOVERNING PARTS OF THE SECTION 3 FINAL RULE SPECIFIC TO HACM
The Final Rule is at 24 CFR Part 75

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SECTION 3 BACKGROUND

Applicable to all expenditures and agreements regardless of the dollar amount

Background - Section 3 of the Housing and Urban Development Act of 1968 (Public Law 90-448, approved August 1, 1968) (Section 3) was enacted to bring economic opportunities generated by certain HUD financial assistance expenditures, to the greatest extent feasible, to low- and very low-income persons residing in communities where the financial assistance is expended. Section 3 recognizes that HUD funds are often one of the largest sources of Federal funds expended in low- and very low-income communities and, where such funds are spent on activities such as construction and rehabilitation of housing and other public facilities, the expenditure results in economic opportunities. By directing HUD-funded economic opportunities to residents and businesses in the community where the funds are expended, the expenditure can have the dual benefit of creating new or rehabilitated housing and other facilities while providing opportunities for employment and training for the residents of these communities.

The Section 3 statute establishes priorities for employment and contracting for public housing programs and for other programs that provide housing and community development assistance. For example, the prioritization as it relates to public housing assistance places an emphasis on public housing residents, in contrast to the prioritization as it relates to housing and community development assistance, which places more emphasis on residents of the neighborhood or service area in which the investment is being made.

INTERNAL PROCEDURES FOR IMPLEMENTATION OF THE RULE

Housing Authority of the City of Milwaukee Internal Hiring Procedure

For all positions at the authority, the human resources staff will include the Section 3 Individual Low-Income Person Self Certification form with the applications (virtually and paper) allowing each applicant to identify themselves accordingly. The completion of the form will remain voluntary and at the applicant's discretion.

Once all applications have been received and reviewed, the most desirous and qualified candidate will be progressed through the hiring process. The Section 3 status of the applicant will be considered only after the "Most Qualified" candidate has been determined.

If there are multiple and equally qualified persons, the Section 3 status and category of the applicant will be considered. The candidate with the highest Section 3 priority based on the 24CFR Part 75.9(a)(2) will be offered the position.

All advertisements for positions with the authority will carry this wording:

"This opportunity is covered under Section 3 of the HUD Act of 1968"

Housing Authority of the City of Milwaukee Contracting Procedure

For all advertised contracts led by the authority, the responsible staff will include the Section 3 Business Self Certification form and the Section 3 Individual Low-Income Self Certification form with the bid package (virtually and paper) allowing each respondent to identify themselves and their business accordingly. The completion of the forms will remain voluntary and at the respondent's discretion.

Once all responses have been received and reviewed, the most desirous and qualified business will be progressed through the contracting process. The Section 3 status of the respondent will be considered only after the "Most Qualified and Advantageous" respondent has been determined.

If there are multiple and equally qualified businesses, the Section 3 status and category of the business will be considered. The business with the highest Section 3 priority, based on the 24CFR Part 75.9 (b)(2) will be awarded the contract. All other applicable procurement laws will be adhered to relative to contracting amounts. All advertisements for contracts with the authority will carry this wording:

"This opportunity is covered under Section 3 of the HUD Act of 1968"

Housing Authority of the City of Milwaukee Internal Resident Training Procedure

For all resident training offered by Housing Authority of the City of Milwaukee and its contractors, the staff will include the Section 3 Individual Low-Income Person Self Certification form with the training notice or upon the first day of training (virtually and paper) allowing each prospective trainee to identify themselves accordingly as public housing or Section 8. The completion of the form will NOT be voluntary as the prospective trainees will be allowed to attend based on their prioritization in the 24CFR Part 75.9(a)(2).

If the training is being paid for with HUD Public Housing financial assistance, the training will be limited to residents and potentially voucher holders only.

All advertisements for training with the will carry this wording:

"This opportunity is covered under Section 3 of the HUD Act of 1968"

Key Rule Components

Note: Where a portion of a Section specifically spoke to areas not related to Public Housing Assistance, those pieces were intentionally removed. So there is no need to feel something important is not included.

§ 75.1 Purpose.

This part establishes the requirements to be followed to ensure the objectives of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) are met. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

§ 75.3 Applicability.

(a) General applicability. Section 3 applies to public housing financial assistance and Section 3 projects, as follows:

(1) Public housing financial assistance. Public housing financial assistance means:

(i) Development assistance provided pursuant to section 5 of the United States Housing Act of 1937 (the 1937 Act);

(ii) Operations and management assistance provided pursuant to section 9(e) of the 1937 Act;

(iv) The entirety of a mixed-finance development project as described in 24 CFR 905.604, regardless of whether the project is fully or partially assisted with public housing financial assistance as defined in paragraphs (a)(1)(i) through (iii) of this section.

(iii) The requirements in this part apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

(b) Contracts for materials. Section 3 requirements do not apply to material supply contracts.

(d) Other HUD assistance and other Federal assistance. Recipients that are not subject to Section 3 are encouraged to consider ways to support the purpose of Section 3.

§ 75.5 Definitions.

The terms HUD, Public housing, Public Housing Agency (PHA), and are defined in 24 CFR part 5. The also apply to this part: 1937 Act means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq. Contractor means any entity entering into a contract with:

(1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or

(2) A sub-recipient for work in connection with a Section 3 project.

Labor hours means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

Low-income person means a person as defined in Section 3(b)(2) of the 1937 Act.

Material supply contracts means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

Professional services means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

Public housing financial assistance means assistance as defined in § 75.3(a)(1).

Public housing project is defined in 24 CFR 905.108.

Recipient means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 business concern means:

(1) A business concern meeting at least one of the following criteria, documented within the last six-month period:

- (i) It is at least 51 percent owned and controlled by low- or very low-income persons;
- (ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
- (iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

(2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

(3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

Section 3 project means a project defined in § 75.3(a)(2).

Section 3 worker means:

(1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- (ii) The worker is employed by a Section 3 business concern.
- (iii) The worker is a YouthBuild participant.

(2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

(3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

Section 8-assisted housing refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

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

Small PHA means a public housing authority that manages or operates fewer than 250 public housing units.

Sub-contractor means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

Subrecipient has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

Targeted Section 3 worker has the meanings provided in §§ 75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

Very low-income person means the definition for this term set forth in section 3(b)(2) of the 1937 Act.

YouthBuild programs refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

§ 75.9 Requirements

(a) Employment and Training.

(1) Consistent with existing Federal, state, and local laws and regulations, PHAs or other recipients receiving public housing financial assistance, and their contractors and subcontractors, must make their best efforts to provide employment and training opportunities generated by the public housing financial assistance to Section 3 workers.

(2) PHAs or other recipients, and their contractors and subcontractors, must make their best efforts described in paragraph (a)(1) of this section in the following order of priority:

- (i) To residents of the public housing projects for which the public housing financial assistance is expended;
- (ii) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
- (iii) To participants in YouthBuild programs; and
- (iv) To low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

(b) Contracting.

(1) Consistent with existing Federal, state, and local laws and regulations, PHAs and other recipients of public housing financial assistance, and their contractors and subcontractors, must make their best efforts to award contracts and subcontracts to business concerns that provide economic opportunities to Section 3 workers.

(2) PHAs and other recipients, and their contractors and subcontractors, must make their best efforts described in paragraph (b)(1) of this section in the following order of priority:

- (i) To Section 3 business concerns that provide economic opportunities for residents of the public housing projects for which the assistance is provided;
- (ii) To Section 3 business concerns that provide economic opportunities for residents of other public housing projects or Section-8 assisted housing managed by the PHA that is providing the assistance;
- (iii) To YouthBuild programs; and
- (iv) To Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

§ 75.11 Targeted Section 3 worker for Public Housing Financial Assistance.

(a) Targeted Section 3 worker. A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

- (1) A worker employed by a Section 3 business concern; or
- (2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - (i) A resident of public housing or Section 8-assisted housing;
 - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
 - (iii) A YouthBuild participant.

§ 75.13 Section 3 Safe Harbor. *(See Benchmarks on page 13)*

(a) General. Recipients will be considered to have complied with requirements in this part, in the absence of evidence to the contrary if they:

- (1) Certify that they have followed the prioritization of effort in § 75.9; and
- (2) Meet or exceed the applicable Section 3 benchmark as described in paragraph (b) of this section.

§ 75.15 Reporting. *(See Benchmarks on page 13)*

(a) Reporting of labor hours. (1) For public housing financial assistance, PHAs and other recipients must report in a manner prescribed by HUD:

- (i) The total number of labor hours worked;
- (ii) The total number of labor hours worked by Section 3 workers; and
- (iii) The total number of labor hours worked by Targeted Section 3 workers.

(2) Section 3 workers 'and Targeted Section 3 workers 'labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established pursuant to § 75.31.

(3) The labor hours reported under paragraph (a)(1) of this section must include the total number of labor hours worked with public housing financial assistance in the fiscal year of the PHA or other recipient, including labor hours worked by any contractors and subcontractors that the PHA or other recipient is required, or elects pursuant to paragraph (a)(4) of this section, to report.

(4) PHAs and other recipients reporting under this section, as well as contractors and subcontractors who report to PHAs and recipients, may report labor hours by Section 3 workers, under paragraph (a)(1)(ii) of this section, and labor hours by Targeted Section 3 workers, under paragraph (a)(1)(iii) of this section, from professional services without including labor hours from professional services in the total number of labor hours worked under paragraph (a)(1)(i) of this section. If a contract covers both professional services and other work and the PHA, other recipient, contractor, or subcontractor chooses not to report labor hours from professional services, the labor hours under the contract that are not from professional services must still be reported.

(5) PHAs and other recipients may report on the labor hours of the PHA, the recipient, a contractor, or a subcontractor based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems, unless the project or activity is otherwise subject to requirements specifying time and attendance reporting.

(b) Additional reporting if Section 3 benchmarks are not met.

If the PHA's or other recipient's reporting under paragraph (a) of this section indicates that the PHA or other recipient has not met the Section 3 benchmarks described in § 75.13, the PHA or other recipient must report in a form prescribed by HUD on the qualitative nature of its Section 3 compliance activities and those of its contractors and subcontractors. Such qualitative efforts may, for example, include but are not limited to the following:

- (1) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- (2) Provided training or apprenticeship opportunities.
- (3) Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
- (4) Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- (5) Held one or more job fairs.
- (6) Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care).
- (7) Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- (8) Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- (9) Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- (10) Provided technical assistance to help Section 3 business concerns understand and bid on contracts.

(11) Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.

(12) Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

(13) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

(14) Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the (c) Reporting frequency. Unless otherwise provided, PHAs or other recipients must report annually to HUD under paragraph (a) of this section, and, where required, under paragraph (b) of this section, in a manner consistent with reporting requirements for the applicable HUD program.

(d) Reporting by Small PHAs. Small PHAs may elect not to report under paragraph (a) of this section. Small PHAs that make such election are required to report on their qualitative efforts, as described in paragraph (b) of this section, in a manner consistent with reporting requirements for the applicable HUD program.

§ 75.17 Contract Provisions.

(a) PHAs or other recipients must include language in any agreement or contract to apply Section 3 to contractors.

(b) PHAs or other recipients must require contractors to include language in any contract or agreement to apply Section 3 to subcontractors.

(c) PHAs or other recipients must require all contractors and subcontractors to meet the requirements of § 75.9, regardless of whether Section 3 language is included in contracts.

§ 75.29 Multiple Funding Sources.

(a) If a housing rehabilitation, housing construction or other public construction project is subject to Section 3 pursuant to § 75.3(a)(1) and (2), the recipient must follow subpart B of this part for the public housing financial assistance and may follow either subpart B or C of this part for the housing and community development financial assistance. For such a project, the following applies:

(2) The recipients of both sources of funding shall report on the housing rehabilitation, housing construction, or other public construction project as a whole and shall identify the multiple associated recipients. PHAs and other recipients must report the following information:

(i) The total number of labor hours worked on the project;

(ii) The total number of labor hours worked by Section 3 workers on the project; and

(iii) The total number of labor hours worked by Targeted Section 3 workers on the project.

§ 75.31 Recordkeeping.

(b) Recipients must maintain documentation, or ensure that a sub-recipient, contractor, or subcontractor that employs the worker maintains documentation, to ensure that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period, as follows:

- (1) For a worker to qualify as a Section 3 worker, one of the following must be maintained:
- (i) A worker’s self-certification that their income is below the income limit from the prior calendar year;
 - (ii) A worker’s self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
 - (iii) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
 - (iv) An employer’s certification that the worker’s income from that employer is below the income limit when based on an employer’s calculation of what the worker’s wage rate would translate to if annualized on a full-time basis; or
 - (v) An employer’s certification that the worker is employed by a Section 3 business concern.
- (2) For a worker to qualify as a Targeted Section 3 worker, one of the following must be maintained:
- (i) For a worker to qualify as a Targeted Section 3 worker under subpart B of this part:
 - (A) A worker’s self-certification of participation in public housing or Section 8-assisted housing programs;
 - (B) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
 - (C) An employer’s certification that the worker is employed by a Section 3 business concern; or
 - (D) A worker’s certification that the worker is a YouthBuild participant.

Benchmarks

For Public Housing Financial Assistance, the proposed benchmark notification set the benchmarks for the recipient's fiscal year. The proposed benchmark notification provided that recipients would meet the safe harbor in the new § 75.13 by certifying to the prioritization of effort in the new § 75.9 and meeting or exceeding Section 3 benchmarks for total number of labor hours worked by Section 3 workers and by Targeted Section 3 workers. The benchmark for Section 3 workers was set at 20 percent or more of the total number of labor hours worked by all workers paid with public housing financial assistance. The benchmark for Targeted Section 3 workers was set at 5 percent or more of the total number of labor hours worked by all workers paid with public housing financial assistance.

Simply stated, the recipient needs to meet these two benchmarks annually in order to achieve Safe Harbor.

$$\frac{\text{Section 3 Workers Labor Hours}}{\text{Total Labor Hours for the Recipient}} = 20\%$$

$$\frac{\text{Section 3 Targeted Workers Labor Hours}}{\text{Total Labor Hours for the Recipient}} = 5\%$$

Forms Package Follows on the Next Page

-COMPLIANCE FORMS PACKAGE-

SECTION 3 NEW RULE

24 CFR Part 75

On November 30, 2020, HUD put into effect a New and Final Section 3 Rule for all recipients. This rule is drastically different from the old rule and therefore, we want everyone to know these requirements and plan accordingly.

* New Requirements Summary	13
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HACM Annual “Section 3 Benchmarks” Requirement Summary

- * Twenty (20) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA’s fiscal year are Section 3 workers; and
- * Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA’s fiscal year are Section 3 workers;
- * There are No specific hiring or contracting goals under this new rule.
- * There is No Section 3 Business Preference under the new rule and no points awarded for being a Section 3 Business.
- * The rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work.

The two new categories of Section 3 are now referred to as:

- * Section 3 Worker - Any low or very low-income persons residing in the housing authority MSA
- * Targeted Section 3 Worker - Public Housing, Voucher Holder, YouthBuild participant

Contractors will provide these three (3) data sets to the HACM’s Section 3 Consultant within 45 days of the month after the hours have been worked by EVERY person that worked directly on the contract.

No back-office staff hours are counted:

- * Total Hours Worked by all workers
- * Total Hours Worked by Section 3 Workers (Individual Self-Certification Form Required)
- * Total Hours worked by Targeted Section 3 Workers (Individual Self-Certification Form Required)

There are new definitions of how to be a Section 3 Business Concern:

- * It is at least 51 percent owned by low- or very low-income persons; with businesses at least 6 months old
- * Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or (Based on the prior 90 days of full business payrolls)
- * It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing, with businesses at least 6 months old.

MONTHLY REPORTING INSTRUCTIONS

STEP ONE

Enter your company name and the name of the contract or task you are performing in the appropriate lines at the top of the form.

STEP TWO

Determine which workers qualify as Section 3 by having each complete a Section 3 Individual Low-Income Person Self-Certification Form. This form is submitted once per Section 3 employee or those that believe they meet the definition of a Section 3 employee.

The form is to be completed by the individual and stress to the employee that the form is Voluntary:

1. Complete contact info section
2. Check the box that describes your situation
3. Sign and date the form
4. Complete the employer information
5. Return to your employer

STEP THREE

After determining which workers are Section 3, determine their classification based on what they check in the box on the form as Non-Targeted or Targeted:

Non-Targeted are those Section 3 income-qualified workers who are low-income and reside in the MSA.

Targeted are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild

STEP FOUR

Enter the monthly dates of reporting on the first line, then proceed as follows:

1. Enter total hours worked by ALL contract or project level staff with exceptions as noted above*
2. Enter total hours worked by all Section 3 staff Non-Targeted
3. Enter total hours worked by all Section 3 staff Targeted

List ONLY the individual names of the workers who have self-certified as Section 3 (Non-Targeted and Targeted) along with their total hours for this months report only.

Submit the Section 3 Hours Worked Reporting Form on a monthly basis to the contact person noted on your reporting form above.

SECTION 3 BUSINESS

Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 Business Certification requirements. To count as a Section 3 Business your company/firm must meet one of the listed categories below. Each category will require additional documentation to support the election. You must provide that supporting documentation with this form properly completed to be confirmed as a Section 3 business. If this form is submitted without the required supplemental data, your certification will not be processed.

CATEGORY	DOCUMENTATION REQUIRED	YOUR ELECTION
a business at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Individual Self-Certification form for all low- and very low-income owners	← I N I T I A L
Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self-Certification for all low- and very low-income workers you list	← H E R E
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Individual Self-Certification form for all public housing and/or Section 8 owners	←

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business.

Full Name:

Company Name:

Street Address:

City: _____ State: _____

Zip: _____

Signature: _____ Date: _____

SECTION 3 INDIVIDUAL LOW-INCOME PERSON

Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75
11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 self-certification income requirements. To count as a Section 3 individual, any legal resident of the United States annual income must not exceed the HUD income limits for the year before they were hired, or, the individual's current year income annualized for the year they are being confirmed as low-income.

Print Name

Phone	Email
-------	-------

Address

City	State	Zip
------	-------	-----

To qualify as a Section 3 Person, you must meet one of the standards in the brackets below and your individual annual income must not exceed the number in the box below.

Check only one box below that describes your situation:

I am a Public Housing Resident or Section 8 assists me with my rent, or I am a current YouthBuild participant

I receive No HUD support, but I am low-income and live in the Milwaukee County MSA

My Individual Annual Income does not exceed: \$47,250*

The Milwaukee-Waukesha-West Allis, WI MSA contains the following areas: Milwaukee County, WI; Ozaukee County, WI; Washington County, WI; and Waukesha County, WI.

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my total income is as shown above, and that proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual. Finally, I authorize including my name on a list of Section 3 Residents seeking employment and to include my contact information so that contractors may contact me directly for any employment opportunities.

Signature: _____

Date: _____

Income Limits website: <https://www.huduser.gov/portal/datasets/il/il2021/2021summary.odn>

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SECTION 3

Hours Worked Reporting Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75
11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 tracking of hours worked by all person's employed by _____(company name) on the _____contract including those meeting the Section 3 income requirements as low- or very low-income.

Section 3 Employees are now defined to as:

Section 3 Workers - are those Section 3 income-qualified workers who are low-income and reside in the MSA.

Targeted Section 3 Workers - are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild.

If your company employs any person you believe is low income now or was when they were hired within the past five years, please have them complete the SECTION 3 INDIVIDUAL LOW-INCOME PERSON SELF-CERTIFICATION FORM" and return it immediately.

All hours worked by everyone on the project must be reported monthly to:

Section 3 Compliance Consultant:

Motivation, Inc.

J. Keith Swiney, CEO

Keiths@motivation-inc.com

678-794-3066

Total Hours Worked by non-Section 3 staff

Total hours worked by all Non-targeted Section 3 -

employees

Total hours worked by all Targeted Section 3 employee

Please list the names and hours worked by each Section 3 Worker individually below or on a separate sheet.

First Name	Last Name	Total Hours This Period

Are You Attaching any New Contractor or Resident Self-Certification Forms to this month's report?
 Yes or No

Bidders and Respondents Solicitation
Section 3 New Rule Contractor Acknowledgement and Affidavit
(Return this form with your Bid/Quote/Response)

Company Name: _____
Solicitation #: _____

I hereby certify to the US Department of Housing and Urban Development (HUD) and HOUSING AUTHORITY of THE CITY of MILWAUKEE that I have read all of the information in this policy package and agree to follow the requirements for complying with the order of prioritization in 75.9 and reporting of all labor hours associated with my contract as required. I further understand that failure to comply with these requirements will cause my payments to be held and not processed or not released until I come into full compliance with this policy.

Monthly, I will be required to provide these data points for all contract staff working directly on the contract not including any back-office staff:

- Total Hours Worked by all employees (Section 3 and regular employees)
- Total Hours Worked by All Targeted Section 3 employees (Public Housing, Section 8, and YouthBuild)
- Total Hours Worked by All Non-Targeted Section 3 employees (Low Income persons residing in the Metropolitan Statistical Area)

You are required to enter the names and hours worked by each Section 3 employee individually.

Signature: _____ Print: _____

Date: _____

STATE OF _____ in _____ COUNTY)

I, the undersigned authority, a Notary Public in and for said County and in said State, hereby certify that, _____, whose name as _____ of _____ is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day, that, being informed of the contents of the foregoing conveyance, he/she, in his/her capability as _____ (Title), and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the _____ day of _____, 20____.

Notary Public

My Commission Expires _____