



## SECTION 3 OPPORTUNITIES PLAN

### Section A. Project Information

Project Name:	Business Name:
Select one: Grant/ Contract/ Loan Amount:	Date:
Principal Contact Name:	Principal Contact's Telephone and Email Information:
This is a plan for a:	Are you a Certified Section 3 Business Concern?: Yes <input type="checkbox"/> or No <input type="checkbox"/>

### Section B. Section 3 Plan Goals

I intend to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968 by selecting one or more of the following options. Please select all that apply.

A. Direct Hiring

To the extent feasible, I am committing my organization to directly employ and/or train HOC Section 3 Residents as 30 percent (30%) of the aggregate number of new hires related to this contract. I affirm that the jobs identified by this contractor shall be for meaningful employment opportunities related to this project.

**AND**

B. Subcontracting

To the extent feasible, I am committing my organization to award subcontracts to Section 3 Business Concerns for at least:

Ten percent (10%) of the total dollar amount of the given contract if it is for building trades work for maintenance, repair, modernization or development of Public Housing.

**AND**

- For three percent (3%) of the total dollar amount for all other Section 3 Covered Contracts.

Please see Section IV of HOC's Section 3 Program Requirements for the definition of Section 3 Business Concern. **(Note: The contractor must notify HOC of the opening of the bidding process for subcontracting in connection with this project. HOC must be notified 14 days prior to the start of the subcontract and receive documentation of the efforts taken to solicit Section 3 Business Concerns for these subcontracts.)**

C. Other Economic and Training Opportunities

In the event a contractor demonstrates that meeting either or both of the applicable Section 3 numerical goals provided in A and B, above, was not feasible after using reasonable efforts to achieve such numerical goals, then HOC will permit selection of the option for Other Economic Opportunities to be utilized.

- I am committing my organization to contribute to a Section 3 Fund created by HOC. For construction contracts, the value of this contribution must not be less than 10 percent (10%) of the Section 3 Covered Contract amount. For non-construction contracts, the value of this contribution must not be less than three percent (3%) of the Section 3 Covered Contract amount.

*(Please note that HOC may not **require** a contractor to make a Section 3 Fund contribution in lieu of any of the other economic opportunities described below. However, contractors may **choose** to submit a contribution to HOC's nonprofit affiliate, Housing Opportunities Community Partners (HOCP). Contributions are directed towards employment-related skills training opportunities for HOC residents and are tax deductible. Payment should be made out to Housing Opportunities Community Partners, Inc. with a notation that the contribution is for the purposes of meeting the contractor's Section 3 obligations.)*

**AND/OR**

- I am committing my organization to hire Section 3 Residents in part-time positions.

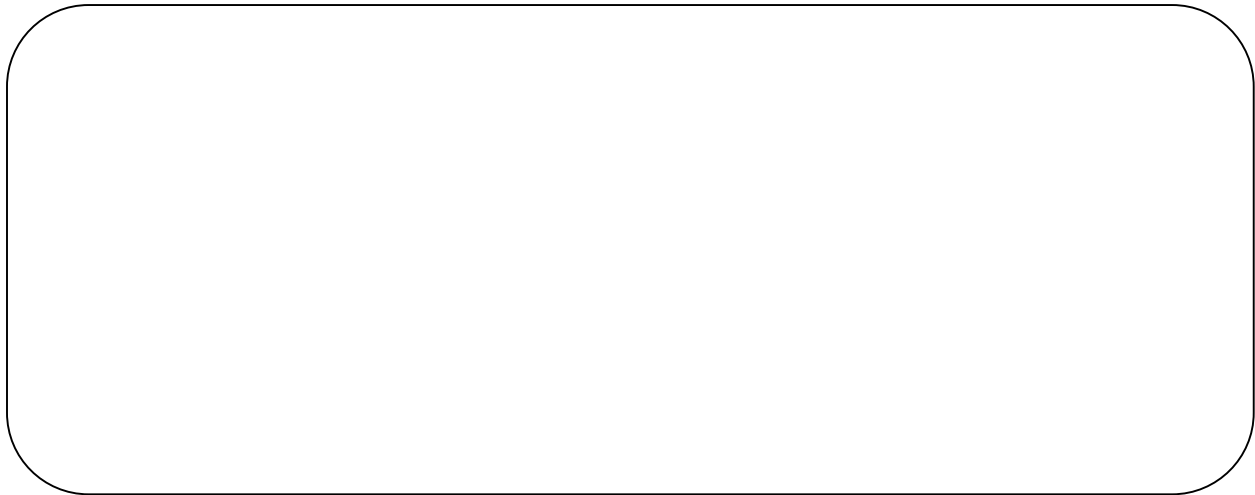
**AND/OR**

- I am committing my organization to provide economic opportunities to establish, stabilize or expand Section 3 Business Concerns, including, but not limited to, the following:
- Formation of Section 3 joint ventures;
  - Purchase of materials and supplies from HOC resident-owned businesses;
  - Use of labor only contracts for building trades;
  - Use of upward mobility, bridge and trainee positions to fill vacancies;
  - Hiring Section 3 Residents in management and maintenance positions regarding other housing developments;
  - Hiring Section 3 Residents or subcontracting to Section 3 Business Concerns in circumstances unrelated to any HOC Section 3 Covered Contract; and/or

- Providing mentorship and/or training opportunities that benefit Section 3 Residents or Section 3 Business Concerns, or both.

**Section C. Action Plan Narrative**

Please provide a narrative description of the methods to be used to achieve your Section 3 goals. This narrative must include your plan for executing the option selected in Section B above. Please write your narrative either in the space below or on a separate sheet.



**Section D. Contractor Certification**

The contractor hereby agrees to comply with all of the provisions of Section 3 as set forth in the Code of Federal Regulations at 24 CFR, Part 135 and HOC’s program requirements implementing Section 3. The contractor commits to conduct aggressive outreach and notification to potential Section 3 Residents and Section 3 Business Concerns of hiring opportunities and contracting opportunities.

Failure to make bona fide attempts to comply with the above-approved plan may be deemed a compliance violation and could result in a breach of contract.

\_\_\_\_\_  
Contractor’s Signature

\_\_\_\_\_  
Date

## INSTRUCTIONS FOR SECTION 3 OPPORTUNITIES PLAN

(Please do not return this portion to HOC)

The purpose of this Opportunities Plan is to articulate the commitment of HOC's contractors to provide jobs for HOC residents and other low- and very-low income residents in Montgomery County, Maryland, as well as award contracts to businesses that share HOC's commitment to continually bettering the community which HOC serves.

This plan is to be completed for all work performed under any contract with HOC, which is funded all, or in any part, by the U.S. Department of Housing and Urban Development (HUD). If a contractor, or subcontractor, is unable to satisfy Section 3 goals, they must state so in the narrative portion of this Plan.

- A. In Section A, enter (type or write) information requested in the text boxes.
- B. In Section B, enter a check in the corresponding boxes.

In the event a contractor demonstrates that meeting either or both of the applicable Section 3 numerical goals provided in options A and B, was not feasible after using reasonable efforts to achieve such numerical goals, then HOC will permit selection of Option C for Other Economic Opportunities to be utilized.

Within Option C, if the contractor chooses to contribute to the Section 3 Fund, payment should be made out to *Housing Opportunities Community Partners, Inc.* with a notation that the contribution is for the purposes of meeting the contractor's Section 3 obligations. Checks can be mailed to the following HOC staff:

John Vass  
Legislative and Public Affairs  
Housing Opportunities Commission of Montgomery County  
10400 Detrick Avenue  
Kensington, MD 20895

- C. In the Action Plan in Section C, you must write a narrative describing how you will achieve your Section 3 Opportunities Plan goals.

For Goal A, direct hiring, you must list the numerical amount of new hires or trainees you will commit to hire, which is at least 30 percent (or at least one person) of the aggregate number of new hires to be employed. Please use the attached Section 3 Resident Worksheet to determine applicant eligibility for Section 3 for each new hire or trainee.

For Goal B, subcontracting, you must enter the dollar amount you will be subcontracting to Section 3 Business Concerns and the total contract amount. If you will be subcontracting multiple contracts to Section 3 Business Concerns you must indicate this here in the narrative, and list the number of contracts and dollar amounts.

If there will not be hiring or contracting in connection with the contract awarded please provide an explanation in the narrative.

Below is a list of **Section 3 Best Practices** to assist you with developing your plan and suggestions for helping you draft your narrative. You may also contact the HOC Works Program Coordinator at [elliott.rule@hocmc.org](mailto:elliott.rule@hocmc.org) or 240-627-9647 for additional guidance.

- D. Please sign and date the plan and submit it to the Section 3 Program Coordinator at the following address:

Section 3 Coordinator  
Elliot Rule  
Compliance Department  
Housing Opportunities Commission of Montgomery County  
10400 Detrick Avenue  
Kensington, MD 20895  
[elliott.rule@hocmc.org](mailto:elliott.rule@hocmc.org)

## **SECTION 3 BEST PRACTICES**

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1. HOC maintains a list of resident resumes and will advertise Section 3 positions to qualified residents. Please contact the Section 3 Program Coordinator for further information.
2. Advertising Section 3 opportunities in general circulation media, low-income targeted media, and minority and women focused media; YouthBuild programs, to provide disadvantaged youth opportunities for employment, education, leadership development, and training.
3. Directing written solicitations to Section 3 Residents and Section 3 Business Concerns for specific contracting opportunities whenever possible.
4. Identifying portions of work where Section 3 Residents or Section 3 Business Concerns are likely to be successful.
5. Providing specific reasons for the inability to directly hire Section 3 Residents and/or Section 3 Business Concerns.
6. Establishing programs to assist Section 3 Residents and/or Section 3 Business Concerns to meet insurance, bonding, and other contracting requirements.
7. Employing joint venture agreements whenever feasible.
8. Erection of signage at project sites soliciting Section 3 Residents and Section 3 Businesses.
9. Maintain records (including copies of correspondence, memoranda) that document the process and steps followed to meet a contractor's identified Section 3 goals.
10. Inclusion of the Section 3 Opportunities Plan in the contractor's and subcontractor's bid documents or other contract solicitations.
11. Contact resident councils and community organizations in the housing development or developments where Section 3 Residents reside to request assistance in notifying residents of the employment and training positions to be filled.
12. Entering contracts on a negotiated rather than a bid basis whenever possible.
13. Maintain assistance to the Chamber of Commerce Small Business Service Center to assist Section 3 businesses with the development of a business profile and other administrative activities.
14. Whenever feasible, holding job information meetings and workshops and to assist Section 3 Residents in completing applications. Arranging to conduct interviews in the housing development or developments or the neighborhood service area of a project.
15. Appoint or recruit an executive official of the contractor's organization as the Equal Opportunity Officer to coordinate the implement Section 3 activities.

## NARRATIVE SUGGESTIONS

(Please do not return this portion to HOC)

The Narrative in the Action Plan (Section) C should have detailed information; it should address who, what, when, where and how. Below are some questions and suggestions to develop the plan in your narrative.

### HIRING SUGGESTIONS:

- Follow the hiring priorities.
- Attend community meetings in the project development area.
- Host a job fair in the community.
- Post notices in the community of the jobs available.
- Require the minimum job qualifications for job descriptions.

#### Questions:

- When do you anticipate hiring? In which publications will you advertise the HOC Works jobs? (List the publications). When will this occur?
- If you hold a job fair, when do you anticipate having it and where will it be hosted? How will you market the job fair?
- What community organizations will you contact to notify them of the HOC Works job opportunities? (List the names of the groups)

### SUBCONTRACTING SUGGESTIONS:

- Follow the contracting priorities.
- Coordinate pre-bid meetings with local subcontractors in the project area.
- Contact community organizations in the project area regarding each Section 3 contracting opportunity.
- Require the subcontractor to submit a Section 3 Opportunities Plan once selected.
- Advertise contracting opportunities in local community publications.
- Require subcontractors with whom you regularly work to become certified Section 3 Business Concerns.

#### Questions:

- When will the subcontractor anticipate putting the work out to bid? What marketing or outreach will the subcontractor engage in with businesses that may qualify or are already HOC Works Business Concerns? (Describe)
- Explain and discuss the break out of the HOC Works contracting.
- What compliance measures will the contractor put in place so as to ensure that the subcontractor is meeting their own HOC Works goals?

### ALL PROJECTS:

- Identify a point of contact for all Section 3 concerns for this contract and any subcontract connected to this contract.
- All contractors subject to Section 3 must submit a Section 3 Opportunities Plan.

## SECTION 3 PREFERENCE & PRIORITY

(Please do not return this portion to HOC)

When hiring or contracting to fulfill Section 3 obligations, HOC requires the priority listed below to be used. Contractors and their subcontractors are required to follow the order of priority listed below as referenced in 24 CFR, Part 135.32, in the consideration of Section 3 opportunities:

Employment & Training Preference Order of Priority	
Category 1:	Residents of or in the area of the HOC funded project developments who meet the low- and very-low income limits.
Category 2:	Public Housing residents of developments managed by the Housing Opportunities Commission of Montgomery County.
Category 3:	HUD YouthBuild program participants for projects carried out in the project boundary area.
Category 4:	Other Section 3 residents in Montgomery County, Maryland.
*If the project receives assistance under the Stewart B. McKinney Homeless Assistance Act, homeless persons residing in the service area or neighborhood in which the Section 3 project is located shall be given the highest priority.	

Subcontracting Preference Order of Priority	
Category 1:	Business concerns that are 51 percent or more owned by residents of the <b>development</b> or whose full-time, permanent workforce includes 30 percent of these persons as employees for a business located in <b>the immediate area where the construction work is performed</b> .
Category 2:	HUD YouthBuild programs being carried out in Montgomery County in which Section 3 covered assistance is expended.
Category 3:	Business concerns that are 51 percent or more owned by a Section 3 resident(s), or whose permanent, full-time workforce includes no less than 30 percent Section 3 residents; or that subcontract in excess of 25 percent of the total amount of subcontracts to Section 3 business concerns.

Please use the Section 3 Resident Worksheet to document all Section 3 hires.