

RESOLUTION
Adopting Section 3 Plan

WHEREAS, the City of Laurel has applied for Community Development Block Grant (CDBG) Program funds from the Mississippi Development Authority; and

WHEREAS, should the City be granted funding through the CDBG Program, the City shall be required by Section 3 of the Housing and Urban Development Act of 1968 to adopt a Section 3 Plan; and

WHEREAS, the Section 3 Plan is intended to ensure, to the greatest extent feasible, that training and employment opportunities generated by CDBG projects be given to low income residents of the Section 3 project area and that contracts for work in connection with this project be awarded to qualified Section 3 Business Concerns; and

WHEREAS, it is the intention of the City of Laurel to implement its CDBG project in accordance with all program regulations including the said Section 3 requirements.

NOW, THEREFORE, BE IT RESOLVED that the Laurel City Council adopts the CDBG Program Section 3 Plan, which is attached hereto as ATTACHMENT A and made a part hereof.

Motion was made by Councilperson Capers and seconded by Councilperson Wheat for the adoption of the above and foregoing Order.

Upon roll call vote the results were as follows:

YEAS: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page

NAYS: None

ABSTAINING: None

ABSENT: None

The President thereupon declared the motion carried and the order adopted on this the 21st day of August, A. D. 2018.

PRESIDENT OF THE COUNCIL

ATTESTED AND SUBMITTED TO THE MAYOR BY THE CLERK OF THE COUNCIL
ON _____.

CLERK OF THE COUNCIL

APPROVED () DATE:_____
VETOED () DATE:_____

MAYOR

ATTEST:

CITY CLERK

Min. of 08/21/18; Book No. 101; Pg. No. _____; Agenda Item No. 4R

ATTACHMENT A
CDBG PROGRAM SECTION 3 PLAN

The City of Laurel agrees to develop local procedures designed to implement the following steps to increase opportunities for training and employment for Section 3 eligible lower income residents of the City, and increase the utilization of Section 3 eligible business concerns within the City.

- A.** To identify projected employment, training and contracting opportunities as the recipient of federal funds and to facilitate the training and employment of Section 3 residents and contracting with Section 3 businesses.
- B.** To recruit Section 3 residents for available opportunities through: local advertising media; posted signs; community organizations and public and private institutions operating within or serving the project area.
- C.** To identify eligible business concerns for federal funded contracts through: the Chamber of Commerce, business associations, and local advertising media including newspapers; public signage; citizen advisory boards; and all other appropriate referral sources.
- D.** To maintain a list of eligible business concerns for utilization in federally funded procurements, to notify appropriate project area business concerns of pending contractual opportunities, and to make available this list for procurement needs.
- E.** To require all bidders on contracts to submit a written Section 3 Hiring and Business Utilization Plan or require a written Section 3 Plan from the Contractor prior to the signing of the contract. Require the contractor to submit reports to document actual accomplishments.
- F.** To include Section 3 information in procurement solicitations, incorporate Section 3 clauses in contractual documents, review Section 3 information at the preconstruction conference, and monitor contractor compliance.
- G.** To maintain records, including copies of correspondence, memoranda, reports, contracts, etc. which document that the above action steps have been taken and any barriers encountered. To submit reports on accomplishments as required.
- H.** To designate a local government official to coordinate implementation of this Section 3 Plan. To the extent feasible, additional affirmative steps will be taken to encourage and utilize Section 3 residents and businesses and to reach employment, training and contracting goals.

The Section 3 Plan documents include the following: EXHIBIT A - CDBG Program Section 3 Action Plan

As the chief elected official, I have read and fully agree to this Section 3 Plan and agree to actively pursue full implementation of this program.

Mayor, City of Laurel

Date

EXHIBIT A

CDBG PROGRAM SECTION 3 ACTION PLAN

Introduction

This Section 3 Plan is to fulfill requirements of the CDBG Grant Program as provided in Section 3 of the Housing and Urban Development Act of 1968. The Section 3 Plan has been adopted by the City of Laurel by Resolution of the Governing Body.

What Section 3 Requires

Section 3 requires that, to the “greatest extent feasible,” opportunities for job training and employment be given to low income residents of the Section 3 project area and that contracts for work in connection with the Section 3 covered projects be awarded to business concerns that qualify as a Section 3 Business Concern. Section 3 requires that the City take affirmative steps to give preference to qualified Section 3 area residents and business concerns in providing training, employment and contracting in connection with Section 3 covered projects.

HUD Regulations require the City to adopt appropriate procedures and requirements to assure good faith efforts toward compliance with the statutory directive. The City’s Section 3 Plan was prepared and adopted for that purpose.

Definitions

- a. A “Section 3 resident” is:
 - A public housing resident; or
 - a person who resides in the project area and whose income does not exceed 80 percent of the median income for the area, as determined by the Department of Housing and Urban Development (HUD).
- b. “Section 3 business concern” means a business concern that meets one of the following criteria:
 - (1) That is 51 percent or more owned by section 3 residents; or
 - (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
 - (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of “section 3 business concern.”
- c. A new hire means a full-time employee for a new permanent, temporary, or seasonal employment opportunities.

Section 3 Thresholds

HUD thresholds for Section 3 covered projects apply to HUD-assisted projects that exceed \$200,000 and contractor and subcontractor thresholds for Section 3 covered contracts apply to contracts that exceed \$100,000. Section 3 compliance is required for Grant Recipients, contractors or subcontractors whose assistance exceeds these thresholds.

Numerical Goals for Meeting the “Greatest Extent Feasible” Requirement

Recipients and contractors may demonstrate compliance with the “greatest extent feasible” requirement of Section 3 Regulations (Sec. 135.30) by meeting the numerical goals set forth in this section for providing training, employment and contracting opportunities to Section 3 Residents and Section 3 Business Concerns.

1. Training and Employment: **30 percent** of the aggregate number of new hires shall be Section 3 residents.
2. Construction Contracts: **10 percent** of the total dollar amount of all construction contracts shall be awarded to Section 3 business concerns.
3. Non-Construction Contracts: **3 percent** of the total dollar amount of all covered non-construction contracts shall be awarded to Section 3 business concerns.

Meeting the “Greatest Extent Feasible” Requirement

In its efforts to meet this requirement, the City will undertake the following:

1. Publish a Notice to Section 3 Residents and Businesses in a local newspaper of general circulation in the community. The Notice will inform interested Section 3 Residents and Businesses of the types of projects to be undertaken and provide an opportunity for those interested persons or businesses to be placed on a Section 3 Resident or Business Registry.
2. Post at selection locations, a Notice to Section 3 Residents and Businesses informing interested Section 3 Residents and Businesses of the types of projects to be undertaken and provide an opportunity for those interested persons or businesses to be placed on a Section 3 Resident or Business Registry. The list of locations includes the following:
 - Regional Housing Authority
 - Local Housing Authority
 - City Hall/Courthouse
 - Other Selected Locations
3. Establish a Section 3 Resident Registry to provide names, addresses, and contact information of eligible Section 3 Residents to contractors or subcontractors.
4. Establish a Section 3 Business Registry to provide names, addresses, and contact information of eligible Section 3 Businesses to contractors or subcontractors.
5. Maintain a file containing documentation of Section 3 Plan implementation efforts.
6. Take steps to secure the cooperation of contractors in meeting the goals for contract awards to Section 3 Business concerns, and take steps to ensure that Section 3 Business concerns are notified of pending contractual opportunities by accomplishing the following:

- a. Include in all procurement solicitations and bid advertisements, the following paragraph designed to make business concerns aware of the City's desire to utilize eligible Section 3 businesses in the awarding of contracts for covered Section 3 projects.

The successful bidder must comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u). CDBG regulations governing the grant require that, to the greatest extent feasible opportunities for contracting, subcontracting, training and employment arising in connection with this CDBG project will be extended to Section 3 businesses and Section 3 residents.

- b. Solicit Section 3 Business Concerns to bid on Section 3 Projects and provide them with a copy of the Bid Advertisement.
- c. At pre-construction conferences, provide the Contractor with a Section 3 Plan Example and a Section 3 Notice to be posted at the construction site by the Contractor. Require the Contractor to submit a Section 3 Plan to the City within 10 days of the Pre-Construction conference.