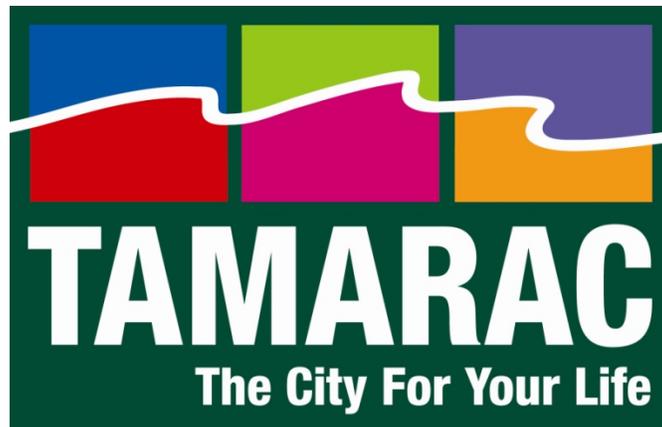


**City of Tamarac**  
**Community Development Department**  
**Housing Division**  
**Section 3 Plan**



Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (as amended), requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible and consistent with the existing federal, state and local laws and regulations, be directed to low and very low income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to these persons.

**City of Tamarac**  
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## **General Policy Statement**

It is the policy of the City of Tamarac Community Development Department that its contractors provide equal employment opportunity to all employees and applicants for employment regardless of race, color, religion, sex, national origin, disability, veteran's or marital status, or economic status and take affirmative action to ensure both job applicants and existing employees are given fair and equal treatment.

The policy shall result in a reasonable level of success in the recruitment, employment, and utilization of Section 3 residents and other eligible persons and businesses by qualified contractors working on contracts partially or wholly funded with United States Department of Housing and Urban Development (HUD) monies. These programs may include but are not limited to: Community Development Block Grant (CDBG), and Home Investment Partnership Program (HOME). The City shall examine and consider Vicinity Hiring and Section 3 compliance through the hiring processes of both the City and its qualified contractors.

## **Definitions:**

**Applicant** means any entity which makes an application for Section 3 covered assistance, and includes, but is not limited to, and State, unit of local government, public housing agency, Indian HA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization (CHDO), resident management corporation, resident council, or cooperative association.

**Contractor** means any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

**Department or HUD** means the Department of Housing and Urban Development, including its Field Offices to which authority has been delegated to perform functions under this part.

**Employment opportunities** generated by Section 3 covered assistance means all employment opportunities generated by the expenditure of Section 3 covered public and Indian housing assistance (i.e., operating assistance, development assistance and modernization assistance, as described in 135.3(a)(1).

**Housing Development** means low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations codified in 24 CFR Chapter IX.

**Metropolitan statistical area** is defined as "a standard metropolitan statistical area as established by the Office of Management and Budget."

**New hires** means full-time employees for permanent, temporary or seasonal employment opportunities.

**NSP3 area of greatest need** means a neighborhood or subdivision identified as part of the NSP3 Program which the City will provide financial assistance to on eligible properties.

**Other HUD programs** means HUD programs, other than HUD public and Indian housing programs, that provide housing and community development assistance for "Section 3 covered projects," as defined in this Section.

**Public housing resident** means any individual who resides in public housing as a signatory on a public housing lease, or as a member of the family of the individual(s) who is the signatory on the public housing lease.

**Recipient** means any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association.

**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 a business concern, as defined in this Section:

- (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 data 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."

**Section 3 covered activity** means any activity which is funded by Section 3 covered assistance and Indian housing assistance.

**Section 3 covered assistance means:**

- (1) Public and Indian housing development assistance provided pursuant to Section 5 of the 1937 Act.
- (2) Public and Indian housing operating assistance provided pursuant to Section 9 of the 1937 Act.
- (3) Public and Indian housing modernization assistance provided pursuant to Section 14 of the 1937 Act.

Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 covered project means the construction, reconstruction, conversion, rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

**Section 3 Resident means:**

- (1) A resident of Public Housing; or
- (2) A HUD funded target area resident, residents of low/mod income census tracts/block groups; or
- (3) An individual who resides in Broward County, and who is:
  - (i) A low- income person, as this term is defined in Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437 a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or
  - (ii) A very low-income person, as this term is defined in Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2) defines this term to mean families (including single persons) whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments made for smaller or larger families, except that the Secretary may establish income ceilings higher or lower than 50% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

A person seeking the training and employment preference provided by Section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

**Service area** means the geographical area in which the persons benefiting from the Section 3 covered project reside.

**Subcontractor** means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section covered assistance, or arising in connection with a Section 3 covered project.

**Section 3 joint venture** means an association of business concerns, one of which qualifies as a Section 3 business concerns, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not business concern:

- (1) Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and
- (2) Performs at least 25% of the work and is contractually entitled to compensation proportionate to its work.

**Vicinity hiring** means that the City will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contracts with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

### **What is Section 3?**

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.

Section 3 applies to recipients of funding exceeding \$200,000 for activities involving construction. Contractors or subcontractors that receive contracts in excess of \$100,000 for Section 3 covered projects/activities are required to comply with Section 3 regulations in the same manner as direct recipients.

### **HUD Income Limits**

<b>Household Size</b>	<b>2018 Maximum Household Income</b>
<b>1</b>	<b>\$ 45,300</b>
<b>2</b>	<b>\$ 51,750</b>
<b>3</b>	<b>\$ 58,200</b>
<b>4</b>	<b>\$ 64,650</b>

5	\$ 69,850
6	\$ 75,000
7	\$ 80,200
8	\$ 85,350

Section 3 is triggered when the normal processes that lead to the completion of projects creates the **need for new** employment, contracting or training opportunities. If the expenditure does not result in the need for new employment, contracting or training opportunities, the requirements of Section 3 are not triggered.

**What projects follow Section 3?**

The City of Tamarac's Section 3 policies are applicable to ALL HUD funded construction projects meeting the Section 3 thresholds related to:

- Housing Rehabilitation
- Housing Construction
- Public Construction (Infrastructure)
- Public Facilities

**Section 3 Numeric Goals:**

Employment: Ten percent (10%) of all new hires for a project shall be a Section 3 Resident. (Full-time, part-time, temporary, seasonal)

- **1<sup>st</sup> Priority – Category 1 Section 3 Resident**  
Resident of the housing development/community for which work is performed.
- **2<sup>nd</sup> Priority – Category 2 Section 3 Resident**  
Resident of the City of Tamarac.
- **3<sup>rd</sup> Priority – Category 3 Section 3 Resident**  
Resident of Broward County, FL.

Contract Awards: Twenty percent (20%) of new HUD funded construction projects to Section 3 Business Concerns.

Contractors: The City maintains a list of Qualified General Contractors under its Home Rehabilitation program, the City will attempt to have 20% of these contracts Section 3 Business Concern certified.

**Preference for Section 3 Business Concerns (Contracting).** The City in accordance with Section 3 of the Housing and Urban Development Act of 1968, requires contractors and sub-contractors (including professional service contracts) to direct their efforts towards awarding contracts to Section 3 business concerns in the following order of priority and expend greatest extent feasible efforts to achieve, at minimum, the numerical goals established in this Section:

- **1<sup>st</sup> Priority - Category 1 Section 3 Businesses**  
Business concerns that are 51% or more owned by residents of the housing development/community for which work is performed, or whose full-time, permanent workforce includes 30% of persons who live in the development/community.
- **2<sup>nd</sup> Priority – Category 2 Section 3 Businesses**  
Business concerns that are 515 or more owned by residents of the City of Tamarac or whose full-time permanent workforce includes 30% of persons who live in the City of Tamarac.
- **3<sup>rd</sup> Priority - Category 3 Section 3 Businesses**  
Business concerns that are 51% or more owned by residents of Broward County, FL or whose full-time permanent workforce includes 30% of persons who live in Broward County, FL.
- **4<sup>th</sup> Priority - Category 4 Section 3 Businesses**  
Business concerns that are designated HUD Youthbuild (or similar) programs being carried out in Broward County, FL.

The City shall incorporate Section 3 requirements into each applicable solicitation for HUD funded construction projects to ensure compliance and that the numeric goals above are being met.

Recipients and Contractors may demonstrate compliance with the “greatest extent feasible” requirement of Section 3 by meeting the numerical goals set forth in this Section 3 Program for providing training, employment, and contracting opportunities to Section 3 Residents and Section Business Concerns. Efforts to employ Section 3 Residents to the greatest extent feasible should be made at all job levels.

The City shall endeavor to achieve the goals of Section 3 and shall provide equal responsibility to its contractors, vendors, and suppliers to implement progressive efforts to also attain compliance.

The numerical goals established above represent minimum numerical targets and all prospective contractors shall be advised and encouraged to seek Section 3 participation to the greatest extent feasible. Any contractor that meets the minimum numerical goals set forth above will be considered to have complied with the Section 3 requirements. Any contractor that does not meet the numerical goals set forth above has the burden of demonstrating why it was not feasible to meet the numerical goals. In the event no competing contractors were successful in meeting the minimum goals set forth above, the City shall consider documentation provided by the contractor evidencing impediments encountered despite actions taken to comply with the Section 3 Requirements. Such evidence shall be subject to the satisfaction of the City.

**What is Vicinity Hiring?**

The hiring of qualified residents or businesses who reside or whose owner resides in each neighborhood/community identified by NSP3 grantees as being the areas of greatest need.

### **What projects follow Vicinity Hiring?**

The City of Tamarac's Vicinity Hiring policies are applicable to ALL NSP3 funded construction projects.

### **Vicinity Hiring Numeric Goals:**

The City of Tamarac will apply vicinity hiring to contracts awarded for services required to carry out its NSP3 activities. The City will make every attempt to reach a goal of twenty percent (20%) of its contracts to residents within the vicinity hiring priority levels.

- **1<sup>st</sup> Priority – Category 1 Vicinity Hiring**  
Hiring of residents or businesses whose owners reside within designated NSP3 areas of greatest need.
- **2<sup>nd</sup> Priority – Category 2 Vicinity Hiring**  
Hiring of residents or businesses whose owners reside within the City of Tamarac.
- **3<sup>rd</sup> Priority – Category 3 Vicinity Hiring**  
Hiring of residents or businesses whose owners reside within Broward County, FL.

### **Section 3 Certification efforts.**

The City's Section 3 certification process will be completed through self certification. Any individual or business seeking Section 3 certification shall complete the appropriate certification forms which will be valid for a one year period. Additional documentation may be requested as evidence of eligibility. Certification Forms are attached hereto as Exhibits A & B.

The City will maintain a list of all Section 3 Residents and Businesses for referral purposes.

- A resident seeking certification shall certify that he/she is a Section 3 resident by completing the appropriate certification form and meets the criteria listed in the definition of section 3 Resident.
- A business concern seeking certification shall certify that the business concern is a Section 3 business by completing the appropriate certification form and meets the criteria listed in the definition of Section 3 Business.

### **Compliance Monitoring**

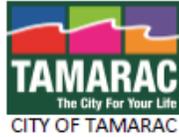
The City of Tamarac's Community Development Department and Purchasing Division will monitor Section 3 Certifications for compliance. Each Section 3 Resident and Business will be required to update their certifications annually.

### **Compliance Reporting**

The city will submit annually its efforts to incorporate Section 3 into its HUD funded projects via Section 3 Report Form HUD-60002 as well as a full narrative in the City's Consolidated Annual Performance Evaluation Report (CAPER). For programs which require monthly and/or quarterly reports, Section 3 and Vicinity Hiring activities will also be reported.

The City will work with HUD's Office of Fair Housing and Equal Opportunity on any complaints that are generated.

# EXHIBIT A



## SECTION 3 RESIDENT CERTIFICATION

Section 3 is the legislative directive from the U.S. Department of Housing and Urban Development (HUD) for providing preference in new employment, training, and contracting opportunities that are generated by HUD-funded projects to income-qualified local residents. Section 3 also provides contracting preferences to businesses that substantially employ local income-qualified residents.

Individuals seeking Section 3 preference in training and employment opportunities shall certify eligibility for Section 3 Resident status and submit evidence to the City of Tamarac Community Development Department, recipient contractor, or subcontractor, as requested.

### General Information

Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

### Certification

Please check "Yes" or "No" for each statement.

1. I am a resident of public housing or a homeless shelter.  Yes  No
2. I participate in a federal, state, or local public assistance program.  Yes  No
3. My total annual household income is within the Income Limits below: My household size is: \_\_\_\_\_  Yes  No

Household Size	2018 Maximum Household Income
1	\$ 45,300
2	\$ 51,750
3	\$ 58,200
4	\$ 64,650
5	\$ 69,850
6	\$ 75,000
7	\$ 80,200
8	\$ 85,350

Effective March , 2018. Income limits are subject to annual adjustment.

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**Residence Verification**

Attach at least one of the following to this certification form:

- Copy of a valid driver's license or State identification card. Copy must be readable, especially the I.D. number.
- Resident verification (*i.e. lease agreement, utility bill*) if the address on your license or State I.D. is not your current residence.
- Proof of residency in public housing or homeless shelter

**Signature**

I understand the information above may require verification. I agree to provide documentation if requested and authorize my employer, if applicable, to release information required by the City of Tamarac to verify my status as a "Section 3 Resident." I hereby certify that the information provided above is true and accurate, and understand falsification of any information could subject me to disqualification from participation and punishment under the law.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Return this signed certification form and all attachments to:

City of Tamarac  
Community Development Department  
7525 NW 88th Avenue, Room 206  
Tamarac, FL 33321-2401

\_\_\_\_\_  
*(For office use only, do not complete this section)*

Date Certification Received: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

## EXHIBIT B

### Section 3 Business Self-Certification

#### BASIC INFORMATION

1. Company Name: \_\_\_\_\_

2. Company Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ County \_\_\_\_\_

3. Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_  
Email address: \_\_\_\_\_

4. Contractor's License: Class A B C N/A License Number: \_\_\_\_\_

5. Business License \_\_\_\_\_ Number Federal ID Number \_\_\_\_\_

6. Type of Business: \_\_\_\_\_

#### TYPES OF SECTION 3 BUSINESS ENTERPRISES

Please check "Yes" or "No". If you answer "YES" to one or more of the following questions, you may designate your company as a Section 3 Business Enterprise.

1. 51% or more of your business is owned by a Section 3 residents\*; or

Yes  No

*Attach list of Section 3 owners and income certifications*

2. At least 30% of your full-time employees include persons that are currently Section 3 residents\*, or within three years of the date of first employment with the business concern were Section 3 residents; or  Yes  No

*Attach list of employees, Section 3 employees, and self-certifications*

3. You can provide evidence, as required, of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in the above two paragraphs.  Yes  No

*Attach list of subcontracted businesses, types and amounts*

**VERIFICATION** - *The company hereby agrees to provide, upon request, documents verifying the information provided on this form.*

**I declare and affirm under penalty of law that the statements made herein are true and accurate to the best of my knowledge. I understand that falsifying information and incomplete statements will disqualify certification status.**

Signature of Business Owner or Authorized Representative: \_\_\_\_\_

Signature: Date: \_\_\_\_\_

Attested by: Date: \_\_\_\_\_

**\*Section 3 resident is:** 1) a public housing resident; or 2) a low- or very low-income person residing in the metropolitan area or Non-Metropolitan County in which the Section 3 covered assistance is expended.