

**SECTION 3 PLAN**  
**(Subcontractor less than \$100,000)**

| <b>Construction Project</b>   |  |
|---|--|
| <b>Name of Project</b>  |  |
| <b>Address of Project</b>   |  |
| <b>Name of Neighborhood Where Project Resides</b><br>(Primary focus area for outreach attempts) |  |

| <b>Submitted by</b>  |   |  |   |
|--|---|--|---|
| <b>Name of Subcontractor</b>   |   |  |   |
| <b>Business Street Address</b>   |   |  |   |
| <b>Business Phone Number</b>   |   | <b>Business Website</b>                    |   |
| <b>Primary Contact Name</b>  |   |  |   |
| <b>Primary Contact Phone Number</b>  |   | <b>Email</b>                               |   |
| <b>For Federal Government Reporting Purposes – Principal Owner (51% or more) (Check applicable boxes):</b> |   |  |   |
| <input type="checkbox"/> Female  | <input type="checkbox"/> African American / Black | <input type="checkbox"/> Caucasian / White | <input type="checkbox"/> Hispanic                 |
| <input type="checkbox"/> Male  | <input type="checkbox"/> Asian / Pacific          | <input type="checkbox"/> Hasidic Jews      | <input type="checkbox"/> Native American / Eskimo |

|   |  |                         |  |
|---|--|-------------------------|--|
| <b>Sub Under What Contractor - Name</b> |  |                         |  |
| <b>Business Street Address</b>          |  |                         |  |
| <b>Business Phone Number</b>            |  | <b>Business Website</b> |  |
| <b>Primary Contact Name</b>             |  |                         |  |
| <b>Primary Contact Phone Number</b>     |  | <b>Email</b>            |  |

| <b>Project Section 3 Contact Person</b>   |  |
|---|--|
| <u>The Owner / Developer's and General Contractor's Section 3 contact person</u> will serve as the main point of contact for all Section 3 related information and issues on behalf of the owner, general contractor, and subcontractors. |  |
| <b>Section 3 Coordinator Name</b>   |  |
| <b>Section 3 Coordinator Contact Number</b>   |  |
| <b>Section 3 Coordinator Email Address</b>  |  |

| <b>For Internal Use Only</b> |         |                            |           |
|------------------------------|---------|----------------------------|-----------|
| CDBG \$                      | HOME \$ | NSP I \$                   | NSP II \$ |
| NSP III \$                   | ESG \$  | Other (please specify): \$ |           |

## General Statement

\_\_\_\_\_, as the subcontractor, is committed to comply with  
(Subcontractor)

the Section 3 Act, the Section 3 Regulations, and the City of Detroit Section 3 Guidelines. It is our desire to work together with the Owner/Developer and the General Contractor to ensure compliance, to the greatest extent feasible, to provide employment and training to Section 3 residents. We commit to include the Section 3 clause in all subcontracts, if awarding subcontracts. We have been informed of the Section 3 requirements and goals set forth by the Owner/Developer and General Contractor. Our submission of this document shall also be our agreement to follow the Section 3 Plan submitted to the City of Detroit by the Owner/Developer and General Contractor.

## Employment and Training

To demonstrate compliance with Section 3 regulations, it is desirous to employ Section 3 Residents as thirty percent (30%) of the aggregate number of new hires, and to provide training to those new hires. We agree to provide information regarding existing employees and hiring needs as part of this plan. Any goal established in this plan must be met, or proof provided as to why the goal was not met.

## Reporting

We, Subcontractor, agree to provide the Owner/General Contractor the following documentation for the Section 3 qualified project and will freely submit information requested, if other than the agreed upon timing, by the City of Detroit.

- Section 3 Plan - prior to being awarded contract
- Section 3 Summary Report - as agreed upon depending of the length of the project (timing could be monthly, quarterly, semi-annual, and/or annual)
- Any Subcontracting Activity Report
- Section 3 Final Summary Report – at completion of project

## Attachments

The following attachments are incorporated into and made a part of this Section 3 Plan:

- Attachment 1: Section 3 Clause to be included in all contracts, if any
- Attachment 4: Contracts to Section 3 Business Concerns, if any
- Attachment 5: Estimated Workforce Needed for Section 3 Covered Project (Subcontractor)

## Assistance, Questions, and Approval

For all approvals and compliance, please submit your Section 3 Plan directly to the Section 3 program office in the Department of Civil Rights, Inclusion & Opportunity (CRIO). The office is located in the Coleman A. Young Municipal Center (CAYMC), Suite 1240. The program manager contact is Patricia Ford, 313-224-9515, [CRIOsection3@DetroitMi.gov](mailto:CRIOsection3@DetroitMi.gov).

I, being a duly authorized representative of the applicant, do hereby attest that the statements, documents, and responses provided in and with this City of Detroit Section 3 Plan are true and correct to the best of my knowledge. I understand that I am making this statement subject to the penalties of perjury. I further understand that the City of Detroit reserves the right to require additional information prior to, during, and at any time after Section 3 Plan has been approved.

I understand that any misrepresentations of information provided in support of this application can result in **rejection, delay in processing, or denial** of Section 3 Plan, if conferred prior to discovery of the misrepresentation.

Name of Applicant (Business): \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Authorized Representative's Title: \_\_\_\_\_

## Attachment 1 - Section 3 Clause

All Section 3 covered contracts shall include the following clause (referred to as the “Section 3 Clause”):

- 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 135, 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 135 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 applications for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, 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 135. 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 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected by before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor’s obligations under 24 CFR part 135.
- F. Noncompliance with HUD’s regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

## Attachment 4: Contracts to Section 3 Business Concerns (if any)

(Copy and use additional pages as needed)

|   |    |
|---|----|
| <b>General Contractor (on project)</b>                              |    |
| <b>Project Name</b>   |    |
| <b>Date Submitted</b>   |    |
| <b>Total Dollar Value of Section 3 Business Concern Contract(s)</b> | \$ |
| <b>Total Percentage of Section 3 Business Concern Contract(s)</b>   | %  |

### Contract to Section 3 Business Concern

|  |   |  |   |
|--|---|--|---|
| <b>Name of Section 3 Business Concern</b>  |   |  |   |
| <b>Business Street Address</b>   |   |  |   |
| <b>Business Phone Number</b>   |   | <b>Business Website</b>                    |   |
| <b>Primary Contact Name</b>  |   |  |   |
| <b>Primary Contact Phone Number</b>  |   | <b>Email</b>                               |   |
| <b>Original Contract Dollar Value</b>  |   | \$   |   |
| <b>Amended Contract Dollar Value</b>   |   | \$   |   |
| <b>Work to be Performed / Materials Supplied</b>   |   |  |   |
| <b>Anticipated Performance Timeframe:</b> When will the Section 3 business be onsite performing the work and how long? |   |  |   |
| <b>Anticipated Start Date</b>  |   | <b>Anticipated End Date</b>                |   |
| <b>For Federal Government Reporting Purposes – Principal Owner (51% or more) (Check applicable boxes)</b>              |   |  |   |
| <input type="checkbox"/> Female  | <input type="checkbox"/> African American / Black | <input type="checkbox"/> Caucasian / White | <input type="checkbox"/> Hispanic                 |
| <input type="checkbox"/> Male  | <input type="checkbox"/> Asian / Pacific          | <input type="checkbox"/> Hasidic Jews      | <input type="checkbox"/> Native American / Eskimo |

### Contract to Section 3 Business Concern

|  |   |  |   |
|--|---|--|---|
| <b>Name of Section 3 Business Concern</b>  |   |  |   |
| <b>Business Street Address</b>   |   |  |   |
| <b>Business Phone Number</b>   |   | <b>Business Website</b>                    |   |
| <b>Primary Contact Name</b>  |   |  |   |
| <b>Primary Contact Phone Number</b>  |   | <b>Email</b>                               |   |
| <b>Original Contract Dollar Value</b>  |   | \$   |   |
| <b>Amended Contract Dollar Value</b>   |   | \$   |   |
| <b>Work to be Performed / Materials Supplied</b>   |   |  |   |
| <b>Anticipated Performance Timeframe:</b> When will the Section 3 business be onsite performing the work and how long? |   |  |   |
| <b>Anticipated Start Date</b>  |   | <b>Anticipated End Date</b>                |   |
| <b>For Federal Government Reporting Purposes – Principal Owner (51% or more) (Check applicable boxes)</b>              |   |  |   |
| <input type="checkbox"/> Female  | <input type="checkbox"/> African American / Black | <input type="checkbox"/> Caucasian / White | <input type="checkbox"/> Hispanic                 |
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## Attachment 5 – Estimated Workforce Needed for Section 3 Covered Project (For Subcontractor)

|                        |  |
|------------------------|--|
| <b>Name of Company</b> |  |
| <b>Project Name</b>    |  |
| <b>Period Covered</b>  |  |
| <b>Date Submitted</b>  |  |

| (1)  | (2)   | (3)   | (4)   | (5)   | (6)  |
|--|---|---|---|---|--|
| Job Titles   | Total Number of Employees Needed for Job Title  | Total Number of Employees Currently Employed at each Job Title          | Total New Hires Needed for each Job Title                   | Total Section 3 Hires for each Job Title  | Anticipated Hiring Date of Section 3 Hires for each Job Title                                    |
| <i>List the Job Titles that are needed to complete your scope of work including the entire workforce for the General Contractor. This includes all Section 3 and non-Section 3 job titles.</i> | <i>List how many employees are needed to complete the scope of work for each job title.</i> | <i>List how many employees are currently employed at this position.</i> | <i>List how many of these positions are currently open.</i> | <i>List the number of Section 3 hires you will commit to for each position.</i> | <i>List the anticipated hiring date of Section 3 hires you will commit to for each position.</i> |
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|  |   |   |   |   |  |
| <b>(7) Totals:</b>   |   |   |   |   |  |

|   |  |
|---|--|
| <b>(8) Total New Section 3 Hires Required:</b><br><i>(Total of column (4) x 0.3) round up to the nearest whole number</i>           |  |
| <b>(9) Percentage of New Hires that are Section 3:</b><br><i>(Total of column (5) ÷ Total of column (4)) x 100 = % of New Hires</i> |  |

**Attachment 5 – Estimated Workforce Needed for Section 3 Covered Project  
(For Subcontractor)**

**If no new job opportunities will be available during this project, state the reason below:**