

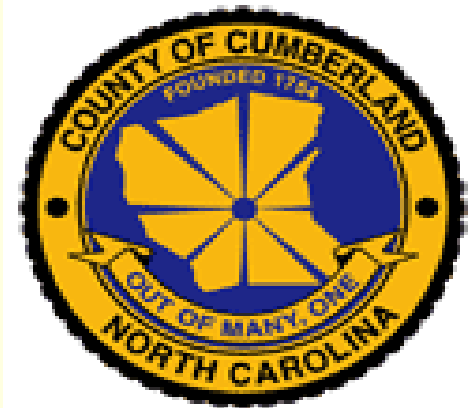


# **THE SECTION 3 PLAN**



**FOR  
THE HOPE VI REVITALIZATION OF  
DELONA GARDENS - CAMPBELL TERRACE  
&  
BUNCE ROAD**

# Hope VI Participants



# **Participant's Role in the Hope VI Revitalization of Delona Gardens and Campbell Terrace**

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- **City of Fayetteville – The Owner**
- **FMHA (Fayetteville Metropolitan Housing Authority) – The Owner**
- **PWC (Public Works Company) – Funding**
- **TCG / United – Hope VI Master Developer**
- **Boulevard Group – Project Managers**
- **Fayetteville Business and Professional League – Contractor Resource Center**
- **BJL Construction Co. Inc. – Section 3 Coordinator**
- **Department of Housing and Urban Development (HUD) – Funding**

# The Section 3 Purpose

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**Section 3 of the HUD Act of 1968 requires that the FMHA ensures that employment and other economic and business opportunities generated by HUD financial assistance..... are directed to public housing residents and other low –income persons, particularly recipients of government housing assistance and business concerns that provide economic opportunities to low and very-low income persons.**

# **The FMHA Contracting Policies of the HOPE VI - Section 3 Plan**

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## **Through TCG United:**

- 1. Contractors will provide equal employment opportunity to all employees.**
- 2. Contracts will be awarded to contractors, vendors, suppliers that will create employment and business opportunities for FMHA residents and other qualified Fayetteville low and very low income persons.**
- 3. All contractors/businesses seeking Section 3 Preference must (before submitting bids/proposals) be required to complete certifications, acknowledging the Section 3 contracting and employment provisions, and is supported by documentation.**

## **The FMHA shall:**

**Examine a contractor's or vendor's potential for success in providing employment and business opportunities to FMHA residents prior to acting on any proposed contract award.**

# **Section 3 Action Plan for Program Participants and Contractors**

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- **Employment and Training Goals**
- **Certification of Program Participants**
- **Contractor's Requirements for Hiring Program Participants.**
- **Contractor's Seeking Section 3 Preference**
- **Contractor's Priority for Employment Opportunities**

# Employment and Training Goals

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**FMHA has established a policy to utilize residents and other Section 3 eligible persons and businesses in contracts..... funded through HUD. Therefore, the following employment and training goals must be met by contractors and subcontractors to comply with Section 3 requirements:**

- **20% of the aggregate number of new hires in any fiscal year, on all job levels.**
- **For contracts awarded in conjunction with HOPE VI, a minimum of 20% of the total dollar amount for building trades work for maintenance, repair, modernization, demolition, rehabilitation and/or construction of public housing replacement units.**
- **A minimum of 3% of the total dollar amount of all other contracts for housing, including subdivision improvements and community facilities for all other contracts awarded for all other HOPE VI revitalization work.**

# Certification of Program Participants

Program participants are those persons who reside in homes provided by the FMHA and/or are qualified low and very low income persons residing in The City of Fayetteville. The following steps must be completed by Program Participants to obtain certification.

- Complete Exhibit 1 Form - “Resident Employment Opportunity Data – TCG United, LLC / Eligibility For Preference”
- Complete a job readiness assessment which is administered by TCG United’s Coordinator. Once the assessment is complete the Coordinator will determine if the Program Participant meets the eligibility requirements.
- If you are a Section 3 Resident –owned enterprise, you must also complete Exhibit 1 Form – “Certification For Business Concerns Seeking Section 3 Preference In Contracting and Demonstration Of Capability”



# **Contractor's Requirements for Hiring Program Participants**

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**The expectations of the Section 3 Plan is that an appropriate number of residents with particular qualifications or a willingness to begin unskilled labor will be able to participate in the HOPE VI revitalization contracted labor efforts. A prime contractor may satisfy the FMHA resident hiring requirement through its subcontractors. These requirements can be satisfied as follows:**

- Subcontracting or joint venturing with a resident owned business. The business must be 51% or more owned by the FMHA public housing residents.**
- Subcontracting or joint venturing with a business that employs full-time, 30% or more of the FMHA residents or low and very low income individuals within the City of Fayetteville.**
- Direct hiring of FMHA's public housing residents and/or low and very low income residents of the neighborhood.**
- Providing skills training for FMHA's public housing residents and/or low and very low income residents of the neighborhood.**

# **Contractor's Seeking Section 3 Preference**

**(Completion of Exhibit 1 Form is Required)**

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**Contractors and Subcontractors (including professional service contractors) are required to direct their efforts towards contracts that reflect the following Section 3 Business Concerns - listed below in the order of priority:**

**Category 1: Business concerns that are 51% or more owned by residents of the housing development for which the work is performed, or whose full-time, permanent workforce includes 30% of these persons as employees.**

**Category 2: Business concerns that are 51% or more owned by residents of the FMHA's public housing development(s) other than the housing development where the work is to be performed; or whose full-time, permanent workforce includes 30% of these persons as employees.**

**Category 3: HUD Youth-Build Programs being carried out in the City of Fayetteville in which Section 3 covered assistance is expended.**

**Category 4: Business concerns that are 51% or more owned by Section 3 Resident(s) or whose permanent, full-time workforce includes no less than 30% Section 3 Residents; or that subcontract in excess of 25% of the total amount of subcontracts to Section 3 business concerns.**

# **Contractor's Priority for Employment Opportunities**

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**When considering employment of a Section 3 Resident, contractors and subcontractors are required to base their employment selection in the following order of Priority:**

**Category 1 – Section 3 Resident:**

**Residents of the housing development or developments for which the contract shall be expended. (Residents of Bunce Road, Delona Gardens and Campbell Terrace).**

**Category 2 – Section 3 Resident:**

**Residents of other housing developments managed by the FMHA.**

**Category 3 – Section 3 Resident:**

**Participants in HUD Youth-Build Program being carried out in the project boundary area.**

**Category 4 – Section 3 Resident:**

**Residents of Section 8 of the FMHA as well as other residents residing in the City of Fayetteville who meet the income guidelines for Section 3 Preference.**

# Responsibilities of Awarded Contractors and Subcontractors

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**After the award of contracts, the contractor or subcontractor(s) must inform Section 3 participants of the development at which the work will be performed, by providing the following:**

- **Names of the Section 3 business concerns to be utilized.**
- **Estimates of the number of employees to the utilized contract.**
- **Projected number of available positions, to include job descriptions and wage rates (construction wages consistent with Davis Bacon)**
- **Efforts that will be utilized to seek Section 3 Participants.**

# Responsibilities of Awarded Contractors and Subcontractors

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- Contractors must notify TCG United and BJL Construction of their interests regarding employment of Section 3 participants prior to hiring. BJL Construction will ensure that the participant is Section 3 eligible, by assessing the Section 3 database to ensure job readiness.
- Submit a list of core employees (including administrative, clerical, planning and other positions pertinent to the construction trades) at the time of the contract award.
- Document the performance of Section 3 participants (positive and negative), regarding punctuality, attendance, etc., and provide this information to the FMHA.
- Immediately notify BJL Construction of any problems experienced due to the employment of Section Participants.
- Immediately notify BJL Construction if a participant quits, walks off, or is terminated for any reason. The contractor must provide written documentation of all such incidents to support such decisions to BJL Construction.

# Assistance to Contractors, Subcontractors and Residents

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## **BJL Construction Co., Inc.**

Dr. Wilson A. Lacy

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