



**SOUTHERN NEVADA  
REGIONAL  
HOUSING AUTHORITY**

SNRHA

**SECTION 3 PLAN & POLICIES**

# SNRHA SECTION 3 PROGRAM

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# **I. SECTION 3 PLAN & POLICIES**

## **A. WHAT IS THE SECTION 3 PROGRAM?**

The United States Congress mandates the Section 3 Policy. Section 3 of the Housing Act of 1968, as amended (12 U.S.C. 1701 u) (Section 3) requires the Southern Nevada Regional Housing Authority (SNRHA) to provide employment, training and contracting opportunities to low income and low skilled persons, particularly to individuals who are recipients of government housing. The purpose of the Section 3 plan is to ensure that Contractors receiving Housing contracts will provide employment opportunities and other employment related services to the residents/participants of the particular Public Housing Agency.

## **B. 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 or 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 applicants 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 but 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 and opportunities for training and employment shall be given to Indians, and (ii) 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 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

### **C. HOW DOES SECTION 3 AFFECT A CONTRACTOR?**

All contracts issued by SNRHA, regardless of funding source that exceed \$25,000 and include a labor component are subject to mandatory Section 3 requirements. A Section 3 covered contract is defined by 24 CFR 135 as a contract awarded for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project, including professional service contracts. Contracts solely for the purchase of supplies and materials are not covered under Section 3. However, whenever a contract for materials includes the installation (labor) of the materials, the contract constitutes a Section 3 covered contract.

All contractors submitting bids or proposals to the SNRHA are required to certify that they can and will comply with Section 3 by including the **Section 3 – Contractor Initial Response form in their bid package**. Jobs must be made available for **skilled and low/non skilled persons**. A structured job training program is highly recommended for low and non- skilled persons. While SNRHA provides contractors options for compliance, if a new hire is generated as a result of receiving the contract, HUD's numerical goals must be met. In other words, thirty (30) percent of the aggregate number of new hires shall be Section 3 residents.

The Section 3 Contract Clause specifies the requirements for contractors hired for Section 3 covered projects. The Section 3 Clause must be included in its entirety in all Section 3 covered projects and in subcontracts. The text of the Section 3 Clause is found in the preceding section.

SNRHA solicitations are open and available to all businesses (Section 3 business concerns, and non-Section 3 business concerns).

**RFP/QBS.** Rating systems for these forms of solicitations ONLY shall provide for a range of points set aside as a provisional preference for section 3 business concerns. Preference Points shall be added to the total number of available rating points.

**Business Concern Preference Charts**

The following are preference points applied when evaluating bids/proposal received as the result of a Request of Proposal and Qualification Based Selection:

A firm may qualify for Section 3 Business Concern Preference status as detailed below (Note: A max of 10 points awarded).

MAX POINT	SECTION 3 BUSINESS PREFERENCE PARTICIPATION FACTORS
10 points	Priority 1: Business concerns that are 51% or more owned by residents of any housing development or program administered by SNRHA.
8 points	Priority 2: Business concerns whose current workforce includes 30% of residents of any housing development or program for which the Section 3 covered assistance is expended
1 point each	Priority 3: Business concerns participating in HUD Youth-build programs being carried out in the metropolitan area in which the Section 3 covered assistance is expended.  Priority 4: Business concerns that at 51% or more owned by Section 3 residents in the metropolitan area, or whose permanent, full-time workforce includes no less than 30% of Section 3 residents in the metropolitan area, or within the past three (3) years were Section 3 residents in the metropolitan area.  Priority 5: Business concerns that subcontract in excess of 25% of the total amount of subcontracts to Section 3 business concerns.
10 points	Maximum Section 3 Business Concern Preference Points

In compliance with 24 CFR 135 (Appendix, Section III., Item 3, iv), contract awards in competitive bidding processes such as RFQ and IFB shall be made to the responsible firm whose proposal is most advantageous with respect to Section 3. A Section 3 Business Concern will receive a contract when the price is within the total contract price established in the contracting party’s budget (SNRHA) for which bids are taken and the bid is not more than “X” higher than the total bid price of the lowest responsible bid. “X” is determined as follows:

Bid Amount	x = lesser of
When the lowest responsible bid is less than \$100,000	10% of that bid or \$9,000
When the lowest responsible bid is:	
At least \$100,000, but less than \$200,000	9% of that bid or \$16,000
At least \$200,000, but less than \$300,000	8% of that bid or \$21,000
At least \$300,000, but less than \$400,000	7% of that bid or \$24,000
At least \$400,000, but less than \$500,000	6% of that bid or \$25,000
At least \$500,000, but less than \$1,000,000	5% of that bid or \$40,000
At least \$1,000,000, but less than \$2,000,000	4% of that bid or \$60,000
At least \$2,000,000, but less than \$4,000,000	3% of that bid or \$80,000
At least \$4,000,000, but less than \$7,000,000	2% of that bid or \$105,000
\$7,000,000 or more	1.5% of the lowest responsive bid, with no dollar limit

### **Section 3 Hiring Preference Chart**

The following are preference points applied when evaluating bids/proposal received as the result of a Request of Proposal and Qualification Based Selection:

A firm may qualify for Section 3 Hiring Preference status as detailed below (Note: A max of 5 points awarded).

<b>MAX POINT</b>	<b>SECTION 3 COMPLIANCE OPTION SELECTION FACTORS</b>
5 points	Priority 1: Direct hiring of Section 3 residents
3 points	Priority 2: Joint venture with SNRHA resident-owned business
1 point	Priority 3: Contractor pays for skilled training for SNRHA residents
1 point	Priority 4: Contractor makes a contribution to Section 3 Job Development Fund
5 points	Maximum Section 3 Preference Points

If a Contractor is awarded a contract through SNRHA, it is preferred that the Contractor hires resident(s) of SNRHA or, alternatively, enters into a joint venture with a SNRHA resident-owned business, provides training or contributes funds to the Resident Training fund. **If your company fails to comply with the Section 3 Policy, i.e., fails to hire a resident (s) or contribute to the Resident Training Fund, your Company is subject to funds being delayed, fines being imposed, your Company being barred from receiving future contracts and/or the contract being terminated.**

It is SNRHA's policy to utilize residents and other Section 3 eligible persons and businesses in contracts that are partially or wholly funded by the Department of Housing and Urban Development (HUD). Pursuant to this policy, SNRHA has established employment and training goals that contractors and subcontractors **MUST** meet in order to comply with Section 3 requirements. SNRHA will negotiate with all contractors required to comply with Section 3 obligations in the best interest of the agency and its residents.

It is the responsibility of contractors, and vendors to implement systems to attain Section 3 compliance.

#### **D. WHAT ARE THE SECTION 3 REQUIREMENTS FOR A CONTRACT?**

The SNRHA has adopted the following scale as a guide for Section 3 obligations per contract size that is to be used on all contracts that contain a labor component, including, but not limited to construction contracts, service contracts and professional service contracts. It is expected that an appropriate number of residents with particular qualifications or a willingness to begin unskilled labor will be able to participate in SNRHA contracted labor efforts.

**HIRING SCALE FOR SECTION 3 PARTICIPANTS  
TRAINING AND EMPLOYMENT OPPORTUNITIES  
(2/2010)**

<b>TOTAL CONTRACT/ SERVICE DOLLARS</b>	<b>Percentage of contract to base hiring requirements</b>
Contract amount \$25,000 but less than \$100,000	6.0% of the contract amount
\$100,000, but less than \$200,000	5.5% of the contract amount
At least \$200,000, but less than \$300,000	5.0% of the contract amount
At least \$300,000, but less than \$400,000	4.5% of the contract amount
At least \$400,000, but less than \$500,000	4.0% of the contract amount
At least \$500,000, but less than \$1 million	3.5% of the contract amount
At least \$1 million, but less than \$2 million	3.0% of the contract amount
At least \$2 million, but less than \$4 million	2.5% of the contract amount
\$4 million or more	2.0% of the contract amount

The SNRHA has established four (4) ways in which a contractor may fulfill the Section 3 requirements as listed above. They are as follows:

1. Joint venture with a SNRHA resident-owned business. The business must be 51% or more owned by SNRHA Section 3 residents (includes all SNRHA housing programs) and receive a portion of the contract commensurate with the scale requirement outlined above; or
2. Direct hiring of SNRHA's Public Housing residents, Housing Choice Voucher participants, Affordable Housing residents and/or low and very low-income neighborhood residents based on the Section 3 Hiring Scale; or
3. Contractor incurs the cost of providing skilled training for residents in an amount commensurate with the sliding scale set forth in the Section 3 Hiring Scale; or
4. Contractor makes a contribution to the SNRHA's Section 3 Job Development Fund to provide assistance to residents to obtain training and employment. The level of contribution must be commensurate with the sliding scale set forth in the Section 3 Hiring Scale.

A contractor may fulfill their Section 3 obligation through a combination of these options but must meet all base requirements as set forth in this plan. When hiring, only the gross wages earned will be counted towards the Hiring Scale requirement. A prime contractor may also satisfy SNRHA resident hiring requirements through its subcontractors.

Furthermore, SNRHA has adopted the following threshold and scale for mandatory hiring that is to be used on all contracts that contain a labor component, including, but not limited to construction contracts, service contracts and professional service contracts.

**SECTION 3 MANDATORY HIRING SCALE**

<b>TOTAL CONTRACT/ SERVICE DOLLARS</b>	<b>Minimum Number of Hires</b>
\$100,000, but less than \$500,000	1 New Hire
At least \$500,000, but less than \$750,000	2 New Hires
At least \$750,000, but less than \$1 million	3 New Hires
At least \$1 million, but less than \$2 million	4 New Hires
At least \$2 million, but less than \$3 million	5 New Hires
At least \$3 million, but less than \$4 million	6 New Hires
For each additional \$1 million over \$4 million	1 New Hire per \$1 million

The contractor’s compliance will be evaluated based on this scale. This requirement is the minimum acceptable hiring scale; it is expected that most contractors will exceed this requirement.

**E. WHO CAN I HIRE?  
Resident Hiring Requirements**

SNRHA’s preference is to ensure that as many SNRHA residents as possible are employed. In an effort to further that goal, SNRHA has created the following required hiring preference tier. Contractors must exhaust higher priority tiers before being able to hire in lower tiers. A contractor will submit an Intent to Hire form to the Section 3 Coordinator who will make referrals based on this requirement from the Job Bank maintained by SNRHA and the qualifications set forth by the Contractor.

Tier 1 : Hire SNRHA Public Housing Residents, Housing Choice Voucher (aka Section 8) Participants or Affordable Housing Residents

Tier 2 : Hire eligible Section 3 residents from approved YouthBuild programs

Tier 3 : Hire non-SNRHA Section 3 residents residing in Clark County

If the Section 3 Coordinator is not able to provide qualified referrals for the position to be filled, they will certify that the Contractor has exhausted the higher priority tiers and allow the contractor to pursue hiring outside of SNRHA programs. Failure to obtain written approval to hire from Tier 3 beforehand will result in wages paid being deemed ineligible.

**F. HOW WILL SECTION 3 BE MONITORED AND ENFORCED?**

The SNRHA requires contractors and vendors to implement progressive efforts to comply with Section 3. A Section 3 Coordinator will monitor and evaluate contractor compliance with established employment, training and resident hiring goals.

Each contract will be monitored closely to ensure ongoing compliance and prevent unforeseen issues during the contract or at the end of the contract period. In order to ensure

attention to the compliance and efforts of the contractors, all service contracts and construction-based contracts that have specific terms and schedules for performance that exceed 90 days are expected to be compliant at 50% completion and then 100% prior to contract close-out. More specifically, when the contract's progress or periodic schedule of payments meets or exceeds 50% of the total contract amount or billing exceeds 50% of the contract total, a contractor must also meet at least 50% of their Section 3 obligation to be considered compliant. If the contractor is not compliant at that midterm evaluation, SNRHA will follow the progressive non-compliance sanctions outline in Part II, Section B.

Contracts with specific terms and schedules that are 90 days or less in length will be monitored throughout their contract and must meet their obligations by the end of the initial term of the contract. All other contracts, such as indefinite quantities, task order and as needed professional services that do not have specific terms or schedules for performance will be evaluated for compliance throughout, but are expected to be compliant by the end date set in the contract. Multi-year contracts must achieve Section 3 compliance no less than annually.

These requirements apply to all four (4) ways a contractor may fulfill the Section 3 requirement (see page 8). Contractors will not be able to request final payment or close-out their contract with SNRHA without Section 3 compliance. It is also the contractor's responsibility to request final compliance evaluation at contract close-out with the Section 3 Coordinator. Furthermore, those contractors who do achieve contract close-out while non-compliant will be fined per the sanctions outline in Part II, Section B, and unable to receive a SNRHA contract award for the period of one (1) year following contract close-out. See Section B under Heading II for more information on penalties for non-compliance.

## **G. HOW DO I FILE AND PROCESS A COMPLAINT?**

Protests surrounding SNRHA's Section 3 Program may be submitted in writing to the Section 3 Coordinator. All complaints of noncompliance shall be in writing and include the complainant's name, address and phone number, as well as, a brief description of the alleged violation of regulations. Complaints shall be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.

The Section 3 Coordinator will investigate the complaint. All parties involved will have the opportunity to submit testimony and/or evidence as may be available and relevant to the complaint. The Section 3 Coordinator will issue a written determination within thirty (30) days after the filing of the complaint.

Filing a complaint is **not** a way to get around non-compliance of the Section 3 requirements. Contractors will still be held accountable for fulfilling the Section 3 hiring requirements.

The complainant may appeal the decision of the Section 3 Coordinator by filing a complaint with the Secretary for Fair Housing and Equal Opportunity, HUD, 451 7<sup>th</sup> St. S.W., Room 5100, Washington, D.C. The complaint must be received no later than 180 days from filing the complaint with the Section 3 Coordinator.

## **H. ARE RESIDENTS JOB READY?**

Our residents have access to many supportive services to become job ready or enhance job skills in advance of participating or concurrent with the Section 3 Program. Many residents have completed our Career Training Class, successfully created resumes, performed well in mock interviews and have requisite skills for jobs a contractor may be in need of filling. SNRHA maintains a list of candidates for the Section 3 program that will be utilized to assist contractors with placement. A contractor can be proactive and complete the Intent to Hire Form and send the form back with the initial proposal. The Section 3 Coordinator will review the qualifications set forth by the contractor and be prepared to discuss referrals at the Pre-Contract Section 3 Meeting.

## **I. WHAT ARE SOME SAMPLE JOBS THAT COULD BE FILLED WITH RESIDENTS PARTICIPATING IN SECTION 3?**

Some sample entry level jobs for residents may include but are not limited to: receptionists, clerical support, all construction helpers, construction clean up crews, maintenance workers, assistants, file clerks, flag women/men, and resident recruiters or liaisons. These jobs are excellent entry-level positions to introduce residents to the job market. These entry-level positions will also expose residents to real work situations so that the Contractor has the opportunity, along with the Section 3 Coordinator, to assist the resident in developing, modifying and enhancing work maturity skills. In some cases Contractors may need to create ways to train and employ low and non-skilled workers. Many residents also present higher skill-sets or already have higher education and training, so positions requiring experience and technical knowledge can also be filled using Section 3. Examples would include Electrician, PBX Operators, Heavy Equipment operators, security personnel, paralegal, CNA, CDL drivers and much more.

## **J. WHAT ARE OTHER RESOURCES THAT CAN HELP PAY FOR ON THE JOB TRAINING PROGRAMS FOR LOW INCOME, LOW SKILLED RESIDENTS?**

The Contactor may elect to contact our Workforce Connections Program to explore opportunities to receive partial funding for training for employees through the On the Job Training (OJT) program funded by NV Workforce Connections. The money from this program should **not** be used instead of the Contractor's Section 3 requirement obligation but in addition to the money that the Contractor will contribute to paying the salary of the resident. A contractor will only receive credit for the hourly wage that is not covered by an OJT contract.

This may be an option for Contractors that have residents that they are definitely interested in training and hiring. When funding is available, the OJT programs through the Southern Nevada Regional Housing Authority Workforce Connections Program will pay up to 50%

of the wages of an employee that is trained by the Contractor/Employer. A typical Workforce Connections Program contract for On the Job Training would last approximately 90 days, but is decided on case by case basis. If the Workforce Connections Program supports the training at the full 50% rate, the contract will not exceed 90 days. The employer must agree to pay the employee at a minimum of \$10.00 per hour and sign an agreement that they will hire the employee at the end of the contract. For example if the employee is making \$10.00 per hour and the Contractor/ Employer states that it will require three months to train an employee at 160 hours per month, the total cost for a six week period will be \$4,800.00.  $\$10.00 \times 160 \text{ hours} \times 3 \text{ months} = \$4,800.00$ ). The Contractor will then be able to invoice the Workforce Connections Program for up to 50% or \$2,400.00. The Contractor/Employer will pay the employee/trainee their full wages and invoice the Workforce Connections Program at the completion of their pay periods for the hours covered in the OJT contract.

Contractors should contact the Workforce Connections Program if they are interested in utilizing this excellent training program.

*SNRHA Workforce Connections Program  
P.O. Box 1897  
Las Vegas, NV 89125  
Phone: 702-451-8041, ext 1662  
Contact: Tracey Torrence*

In the case that the Workforce Connections Program at SNRHA is out of funds for OJT opportunities, please find a list of other service providers who may be able to support this activity with our residents with Nevada Workforce Connections. The link to this list of providers is <http://www.nvworkforceconnections.org/resources.html>.

#### **K. HOW DO I START THE HIRING PROCESS TO FULFILL MY SECTION 3 REQUIREMENTS?**

Before your contract is signed with SNRHA, you will meet with the Section 3 Coordinator to develop the Section 3 Plan for the contract. The Section 3 Plan you develop as a result of this meeting will be included in your contract with SNRHA. If you have not already done so, you will complete an Intent to Hire form that includes basic project information and job qualifications. The Intent to Hire form will assist the Section 3 Coordinator in helping the Contractor find the right resident for the right job. Listed on your Intent to Hire Form will be the skills needed for the job. The Contractor may be required to complete the Intent to Hire Form for both low skilled and skilled residents. The Section 3 Coordinator will initiate the job match for the Contractor. The Contractor will have a pool of applicants to interview and select, unless otherwise notified by the Section 3 Coordinator. The referrals will follow the Preference Tiers listed on page 9 until SNRHA resident referrals are exhausted. Only then may a contractor pursue hiring non-SNRHA residents. A contractor is solely responsible for the hiring process of any non-SNRHA residents. A contractor will need to submit a Section 3 Job Bank application and required verification of eligibility for non-SNRHA resident hires to ensure the hire will count towards the contractor's obligation. Once the Contractor makes the selection, the Contractor will complete and fax or email the

Initial Employee Placement Report to the Section 3 Coordinator. The form should be addressed to the Southern Nevada Regional Housing Authority, Section 3 Program. If a contractor does not comply with the Hiring Preference Tier requirement or fails to get a new hire certified, they will not receive credit for the wages spent on the hire.

Southern Nevada Regional Housing Authority (SNRHA)  
Section 3 Program  
PO Box 1897  
Las Vegas, NV 89125

Telephone: (702) 451-8041, ext 1655  
Fax: (702) 433-4112

Copies of these forms are included in the forms section of this manual. These forms can be copied if the Contractor intends to hire more than one person.

## II. SECTION 3 PLAN- CONTRACTOR'S INFORMATION

### A. CONTRACTOR REQUIREMENTS

Prior to the award of any contract, the contractor shall negotiate with SNRHA for the number of SNRHA residents or other Section 3 residents to be employed through the contract. All contractors are required to comply with the SNRHA Section 3 Policy. The Section 3 provision will be incorporated into the contract and will obligate the contractor to achieve not less than the goals established in the Section 3 Plan during negotiations. This includes contractors that do not have labor costs in their budgets. Contractors may elect to satisfy their Section 3 requirement in one of the following ways:

**1. Employment of qualified residents** in a SNRHA housing program. Contractors performing SNRHA construction contracts and using resident workers under Section 3 are required to pay the current prevailing wage for construction trade jobs as provided under the Davis-Bacon Act. All other contractors are also required to pay the current prevailing wage to residents employed.

SNRHA encourages Contractors to attend cultural diversity/sensitivity training sessions to increase awareness about cultural diversity and become sensitive to other populations and cultures.

In the event the Contractor encounters a problem with a Section 3 employee, they should document the employee's problem (e.g., resident quits, walks off job, termination, job performance, attendance, tardiness, drug or alcohol use, etc.) and provide the documentation immediately to SNRHA's Section 3 Coordinator, but in no more than three (3) business days.

**Unless there is a problem, Contractors are to maintain employment for residents throughout the duration of a project.** The SNRHA Section 3 Coordinator will monitor the Contractor's compliance. It is expected that the Contractor will meet the following program requirements in order to maintain compliance:

- Provide Section 3 Coordinator with copy of Personnel Handbook
- Provide hire letter to resident employee and submit copy to Section 3 Coordinator (Employee Placement Report can be substituted for hire letter)
- Provide copies of time & attendance records to reflect Contractor payroll cycle
- Invoice Workforce Connections Program for each payroll cycle for OJT participants (if applicable)
- Utilize Section 3 Coordinator as a resource to help further employee skills and/or resolve issues that may arise during placement
- Provide update Employee Placement Report when job ends

**2. Pursue and enter into Joint Venture Agreement with SNRHA resident-owned business.** The Section 3 Coordinator will provide a pre-certified list of organizations eligible for this option where available. A copy of the subcontract or joint venture agreement

including proof of the contract award to the SNRHA resident-owned business are required to receive credit for this option.

**3. Provide and pay for skilled training program** for SNRHA residents and/or Section 3 hires. Program information must be submitted to the Section 3 Coordinator at the Pre-Contract negotiation and/or in advance of training commencing. The training should result in a marketable skill or certification. Receipt of cost, verification of registration and proof of completion are necessary to receive full credit of training costs. The training must be accredited or certified on a state or national level to receive credit. The Section 3 Coordinator reserves the right to analyze the cost of the proposed training and assign a comparable cost when the training is not provided by a third-party.

**4. The Contractors may elect to contribute** to the Section 3 Job Development fund to help with training costs and employment opportunities of low skilled residents in order to satisfy the Section 3 requirement. The amount of the contribution is based on the resident hiring scale.

After SNRHA and the contractor agree on a method to satisfy the Section 3 requirement, the contractor will develop a Section 3 Plan. The Section 3 Plan will outline the procedures and contain all necessary paperwork that the contractor will follow in implementing the Section 3 Plan.

## **B. COMPLIANCE WITH SECTION 3**

All contracts issued by SNRHA, regardless of funding source that exceed \$25,000 and include a labor component are subject to mandatory Section 3 requirements. A Section 3 covered contract is defined by 24 CFR 135 as a contract awarded for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project, including professional service contracts. Contracts solely for the purchase of supplies and materials are not covered under Section 3. However, whenever a contract for materials includes the installation (labor) of the materials, the contract constitutes a section 3 covered contract.

SNRHA's Section 3 compliance shall consist of a comprehensive analysis and evaluation of the Contractor's compliance with the requirements and obligations outlined in their contract. Where a SNRHA Section 3 compliance review reveals that a contractor has not complied with Section 3, SNRHA shall undertake any and all efforts to help the contractor become compliant. Prior to contract execution and any money being dispersed, the Section 3 plan must be completed by the contractor and given to the Section 3 Coordinator. All necessary paperwork must be completed including the dates of implementation.

If a contractor is non-compliant during the contract (see progress compliance requirements on pages 9 and 10), the following actions and penalties will take place in this order:

- Immediate cessation of future payments on the covered contract until compliance is achieved

- Email notification to Organization Contact of Non-compliance status and demand for compliance within 14 days.
- If compliance is not yet achieved through the email demand, a Non-compliance notice will be mailed via US Mail to Organization Contact indicated on Section 3 Forms. Cure Period in this notice will not exceed fourteen (14) calendar days. All deficiencies must be remedied within 14 days of the compliance deadline to avoid escalation of non-compliance to Procurement and contract sanctions.
- File forwarded to Procurement if compliance is not achieved by the end of the Cure Period.
- Fine will be levied when file is forwarded to Procurement. A contractor will be fined for ongoing non-compliance exceeding thirty (30) days. Fines will be the equivalent of 10% of the mandatory Hiring Scale Contract Requirement.
- Contractor will be notified of the Fine and on-going non-compliance status by Procurement with a letter mailed via US Mail to the Contract Contact. This letter will also identify the final deadline to avoid contract termination.
- Continued non-compliance for sixty (60) days may result in contract termination, as determined by Procurement.

The Section 3 Coordinator will ensure that both Procurement and the Project Manager for the contract are aware of the non-compliance by copying them on all communications with the contractor.

Contractors are not eligible to close-out their contract and receive final payment and/or release of their retainer until they are compliant with Section 3. Contractors that comply with the Section 3 requirements will receive written correspondence certifying their compliance. This certification is required to be eligible for a compliant close-out.

In cases where contractors are entitled, per Federal or State governing statutes, to close-out their contract and receive payment for the contract including Section 3 requirements but do so without being compliant with the program, the following penalties will be incurred:

- Fine will be levied. The original Section 3 obligation and all fines must be paid before a contractor is awarded another SNRHA Contract. Fines will be the equivalent of 10% of your mandatory Hiring Scale Contract Requirement.
- Ineligibility for future SNRHA contract awards. Contractors will be unable to receive an award for the period of one (1) calendar year from the date of close-out of the non-compliant contract.

Continued failure or refusal by a contractor to comply with the Section 3 requirement as outlined in the contract may result in debarment, suspension and limited denial of participation pursuant to 24 CFR part 24. Continued failure is defined as two (2) instances of non-compliance with the SNRHA Section 3 Policy.

### **III. SECTION 3 PLAN – INFORMATION FOR RESIDENTS**

#### **A. RESIDENT AWARENESS AND INVOLVEMENT IN THE SECTION 3 PROGRAM**

It is a goal of SNRHA for residents to be made aware and become involved in the many opportunities provided through the Section 3 Program. To fully address the special needs of its residents, a systems approach has been developed that will link residents with various service providers. These service providers include:

- Quality Housing
- Mental Health Assessment & Counseling
- Child Care
- Social Services
- Employment Skills
- Education/Training
- Computer Skills
- Transportation
- Personal Development

An aggressive campaign will be undertaken in order to involve residents in these programs in the following ways:

##### **Resident Outreach**

Resident outreach will primarily be centered on our Career Training Program model and the Career Training Center located on-site at one of our Public Housing Family Developments. The Career Training Center includes on-site services, such as Section 3 and Career Training Program orientations, Job Fair postings, a Job Board and an open Computer Lab where residents can search for jobs, develop resumes and apply online for jobs all with the support of Supportive Services staff. All activities and services at the Career Training Center are advertised monthly on-site, in community manager offices and resident council sites. Section 3 Coordinator will hold bi-monthly information Sessions at the Career Training Center to make residents aware of the Career Training Program and the Center's tools listed above. In addition to the bi-monthly Informational Sessions, monthly workshops are conducted to assist residents with job-readiness skills, resume writing, interviewing skills and other supportive services.

#### **B. RESIDENT TRAINING OPPORTUNITIES**

##### **1. Job Readiness**

SNRHA's Career Training Program will conduct monthly Career Training classes for residents where Job Readiness skills are taught. Residents that complete the 6-day class will

receive a Certificate of Completion. This certificate will be an asset to the resident once they initiate the job search part of the program. Included in the Career Training Class will be goal setting, resume preparation, application completion, and interviewing know-how. In addition, skills regarding successful work environments will be included, such as time management, prioritizing tasks, employee rights and responsibilities, attitude and behavior, conflict resolution and much, much more.

## **2. Skills Assessment**

A skills assessment will be conducted at the bi-weekly orientations so that the Section 3 Coordinator can evaluate the needs of the residents and work with them to make appropriate referrals and recommend service plans. The assessment will determine whether the resident is referred to the Career Training Class or enrolled directly into the case management portion of the Workforce Connections Program. Case management will include special attention to pre-employment and job retention skills, in addition to evaluating training and supportive service needs.

SNRHA works with a number of service providers to promote education opportunities to its residents. Residents in need of a General Equivalency Diploma (GED) will be referred to the GED assessment and pre-test program administered on site by UNLV's TRiO program. Residents will either then have the opportunity to take the test, with fees paid by the TRiO program and/or pursue supported studying opportunities also offered on-site by the Clark County School District.

Residents having a high school diploma or otherwise in need of further training and education will be afforded opportunities for continuing education. Those institutions of higher education that SNRHA works with include but are not limited to the State of Nevada and Southern Nevada Local Workforce Investment Act Eligible Training Providers. The SNRHA also works with other continuing education programs to assist residents.

## **3. Training Programs**

The SNRHA strives to provide its residents with employment and training opportunities to help them gain a measure of economic independence and vitality. SNRHA developed a Career Training Program to address basic employability skills and job retention issues. The Career Center also includes a computer lab for residents to conduct job searches and create resumes, apply online and work on basic computer skills. The Career Training Program also can send residents in need of increased employment opportunities to job training with no cost to the resident, as well as apprenticeships, paid work experience or internships. Residents interested in continued training can also be referred to organizations such as Job Connect, Nevada Welfare's C-WEP or NEON programs, the Urban League, Goodwill, building trade associations and unions. In addition, SNRHA may have training dollars collected from Section 3 Contractors to assist residents in obtaining training from sources and providers not expressly pre-approved through other programs.

Other training and employment activities include:

SNRHA Section 3 Plan : Board Approved January 19, 2012

- Partnering with area employers like Golden Nugget to assist with mock interviews to refine employability skills
- Providing case management including job counseling, college counseling and related programs in association with local educational institutions.
- Conducting follow-up with employed residents and contractors to support ongoing needs of both parties and ensure ongoing support, quality control and training is available
- Sponsoring a job informational meeting conducted by SNRHA and/or a contractor representative. The meetings are held in a housing development or local neighborhood.

### **C. RESIDENT EMPLOYMENT OPPORTUNITIES**

To qualify for employment, residents must meet the following minimum criteria:

- Name is on the lease for the housing development
- Must be at least eighteen years of age
- Must be in good standing with SNRHA ( to include rental requirements)
- Must reside within Southern Nevada.
- Not involved in any legal action with SNRHA.

#### **1. Database of Residents (Job Ready)**

All SNRHA residents may apply to the Section 3 program. Section 3 applications will be mailed to all residents and program participants to establish the database and in the event of any database purge. Prospective residents will also be able to apply during initial applications, and current residents may apply at any time, or through their recertification process. Applications include information about education, skills, licenses, previous job history and interest in employment opportunities. The application will be utilized to categorize applicants into predominant hiring areas such as construction, maintenance, administration and finance, but will also note unique areas of opportunity for employment. Once categorized, a list of potential resident employees and their skills will be compiled and updated to reflect the most current information on residents. Information may be added, modified and/or deleted from a specific file on an as needed basis. The list will be provided to all contractors and subcontractors for job placement in the specific arenas in which they are looking to hire.

Residents may be employed on either a permanent or temporary basis to perform work generated by Section 3 assistance. Where there are more qualified Section 3 residents than positions to be filled, residents will be recommended for placement with other non Section 3 employers through the Section 3 Coordinator.

#### **2. SNRHA Consideration Of Qualified Residents for Employment**

SNRHA's Supportive Services Department, Human Resources Department and all SNRHA  
SNRHA Section 3 Plan : Board Approved January 19, 2012

managers making hiring decisions are encouraged to consider qualified residents in all employment and training efforts to the greatest extent feasible. SNRHA will utilize the list of eligible employees to determine those available for training and employment consideration. Profile information from the database will be made available to SNRHA managers, contractors and subcontractors upon request. The Section 3 Coordinator will coordinate referrals to training, job readiness and other capacity building programs to promote suitable and successful employment of residents.

Potential Resident employees will be required to attend the Career Training Class conducted by the Supportive Services Department.

### **3. Employment Problems**

It is the goal of SNRHA to enable residents to be job ready and gain employment. In addition, it is the goal of SNRHA for the residents to achieve success in their employment. It is recognized that some residents may have difficulties in obtaining and keeping employment. In those instances where a resident is having a problem, they are directed to express concerns to the employer or contractor. The resident will be required to document the problem and any subsequent conversations with their employer. The resident is to provide a copy of the documentation to SNRHA's Section 3 Coordinator. The Section 3 Coordinator will meet with all parties in an effort to come to a mutually agreeable decision.

In the event that the resident does not satisfactorily perform his or her job due to poor work habits (i.e. tardiness, absenteeism, alcohol/drug use, abusive language, lack of job performance) the Supervisor should work with the Section 3 Coordinator to determine if the employee is in need of additional training and support services to help her or him with the issues identified by the Supervisor.

### **4. Resident Owned Businesses**

SNRHA strongly encourages and promotes the development of resident owned businesses. SNRHA's objective is to create one to three (1-3) resident owned businesses per year. In order to achieve this objective, aggressive outreach efforts will be made to determine a resident's capacity and interest in starting their own business.

The SNRHA has established relationships with the Nevada Microenterprise Initiative to provide assistance in educating residents who want to establish their own businesses.

Other efforts SNRHA will take to foster business development opportunities for residents include:

- Assist residents with business skills such as the preparation of proposals, bid specifications, contracts, and license, insurance and tax requirements.
- Refer residents to adult basic education centers where appropriate.
- Identify businesses that are willing to provide On the Job Training and/or mentor residents in their places of business.
- Assist residents who wish to enroll in labor organizations and other professional trade groups on an ongoing basis.

- Staff with expertise in certain areas will act as mentors to residents who want to start their own businesses.
- Contact labor relations staff at the Department of Labor to identify public work sites where residents would be qualified to work.

## **5. Alternate Procurement Program for Resident Owned Businesses**

SNRHA has developed an Alternate Procurement Program to solicit contracts with eligible and qualified resident owned businesses for housing services, supplies or construction consistent with the provisions of 24 CFR Part 963. The solicitation would be limited to resident owned businesses. Contracts awarded shall not exceed \$1 million dollars without the approval of the Procurement Officer and Executive Director.

In order to be eligible to participate in the Alternate Procurement Program a resident business would be certified to ensure that the following criteria are met:

- The business must be legally formed. The business must verify that it was formed in accordance with State law.
- The business must certify that it is a resident owned business.
- The business shall submit evidence to demonstrate that the business has the ability to perform successfully under the terms and conditions of the proposed contract.
- The business shall submit a certification on the number of contracts awarded and dollar amount of contracts awarded under the alternative procurement process.

The method of procurement provided in 24 CFR Part 85.36(d) will be followed in contracting with resident owned businesses. However, the solicitation will be limited to resident owned businesses.

An award will not be made to a resident owned business if the contract award exceeded the independent cost estimate and/or the price normally paid for comparable supplies, services or construction in the project area. Records shall be maintained by SNRHA's Section 3 Coordinator to detail the significant history of the procurement.



## Section 3 Program

(702) 451-8041 / Fax (702) 433-4112

### Contractor Employment Summary Report

#### Contractor Information

<b>Company Name :</b>	
<b>Address :</b>	<b>CSZ :</b>
<b>Project Address (If different) :</b>	<b>CSZ :</b>
<b>Company Contact :</b>	<b>Phone :</b>
<b>Email :</b>	<b>Fax :</b>
<b>Project Contact :</b>	<b>Phone :</b>
<b>Email :</b>	<b>Fax :</b>

#### Employment Information

Job Category	# of Positions Currently Occupied	New Hires During Contract Period	New Hires from Section 3	# of Section 3 Residents Trained
<b>Officers/Supervisors</b>				
<b>Professionals</b>				
<b>Technicians</b>				
<b>Office/Clerical</b>				
<b>Trade : Helper</b>				
<b>Trade : Apprentice</b>				
<b>Trade : Journeyman</b>				
<b>Other :</b>				



**Intent to Hire Form**

**Employer Information**

**Company :** \_\_\_\_\_ **Cont act:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
**City, State**                      **Zip**

**Phone :** \_\_\_\_\_ **Fax :** \_\_\_\_\_

**Email :** \_\_\_\_\_

**Job Title** \_\_\_\_\_ **# of Openings:** \_\_\_\_\_

- |                                      |                                       |                                    |                                    |
|--------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| <input type="checkbox"/> Part Time   | <input type="checkbox"/> Full Time    | <input type="checkbox"/> Permanent | <input type="checkbox"/> Temporary |
| <input type="checkbox"/> Replacement | <input type="checkbox"/> New Position | <input type="checkbox"/> Hourly    | <input type="checkbox"/> Exempt    |

Proposed Starting Salary: \$ \_\_\_\_\_ Job Category: \_\_\_\_\_

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

Special Requirements (Licenses, Certifications, etc)

- |                     |                     |
|---------------------|---------------------|
| ___ Health Card     | ___ CDL License     |
| ___ Sherriff's Card | ___ Heavy Equipment |
| ___ TAM Card        | ___ Other : _____   |

**Job Function / Desired Skills:**

Essential	

Preferred	

Additional Skills : \_\_\_\_\_

Screening Criteria : (Please note specific qualifying or disqualifying factors)

Education : HS/ GED Required? Y / N Bachelor's Required? Y / N Other : \_\_\_\_\_

Criminal Background : \_\_\_\_\_

NV Driver's License : Required? Y / N

**Referrals**

Employer Preference :

- \_\_\_ All SNRHA Section 3 participants
- \_\_\_ All applicants in category
- \_\_\_ Pre-screened applicants

Preferred Delivery Method :

- \_\_\_ Fax : \_\_\_\_\_
- \_\_\_ Email : \_\_\_\_\_
- \_\_\_ Hard Copy : \_\_\_\_\_

**Verification of Hire**

Date Offer Extended: \_\_\_\_\_

	YES	NO
SNRHA Section 3 Participant:	<input type="checkbox"/>	<input type="checkbox"/>
	YES	NO
Other Section 3 Certified Participant:	<input type="checkbox"/>	<input type="checkbox"/>

Written Verification Received : \_\_\_\_\_

Section 3 Application & Certification Sent : \_\_\_\_\_

Expected Staff Hours to be Completed by New Hire : \_\_\_\_\_



**Section 3 Program**  
(702) 451-8041 / Fax (702) 433-4112

**Employee Placement Report**

**Section 3 Hire**

**SECTION 3 EMPLOYER NAME:** \_\_\_\_\_  
**EMPLOYER ADDRESS:** \_\_\_\_\_

**EMPLOYEE:** \_\_\_\_\_ **SSN#:** \_\_\_\_\_

**HIRE DATE:** \_\_\_\_\_ **START DATE OF PLACEMENT:** \_\_\_\_\_ **PLACEMENT END DATE:** \_\_\_\_\_

**Sect. 1: CURRENT EMPLOYMENT STATUS: PLEASE CHECK APPROPRIATE BOXES**

<i>Job Title</i>	<i>Hourly Wage</i>	
<i>Project/Contract</i>	<i>Address</i>	<i>Phone #</i>

**Sect. 2: BENEFIT INFORMATION CHECK ALL THAT APPLY**

<b>401 K</b> <input type="checkbox"/>	<b>Life Insurance</b> <input type="checkbox"/>
<b>Vacation Leave</b> <input type="checkbox"/>	<b>Uniform Furnished</b> <input type="checkbox"/>
<b>Sick / Disability Leave</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/> _____

**CONTACT PERSON OR SUPERVISOR FOR ABOVE EMPLOYEE:**

Name : \_\_\_\_\_ Phone : \_\_\_\_\_

Email : \_\_\_\_\_ Fax : \_\_\_\_\_

**COMMENTS:**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



**Section 3 Program**  
 (702) 451-8041 / Fax (702) 433-4112

**Employee Training**

**Employer Paid Training**

Client Name \_\_\_\_\_ Position \_\_\_\_\_

Employer \_\_\_\_\_

TRAINING CLIENT ATTENDED	PROVIDER	TRAINING DATES	# OF HOURS	TOTAL COST OF TRAINING & TRAINING MATERIALS
1.				
2.				
3.				

**\*\* You must attach Training agenda as well as proof that your organization paid for the training such as Receipt, Copy of Check, Purchase Order, etc.\*\***



**Section 3 Program**  
 (702) 451-8041 / Fax (702) 433-4112

**Job Development Fund Contribution**

**Contractor Information**

<b>Company Name :</b>	
<b>Address :</b>	<b>CSZ :</b>
<b>Project Address (If different) :</b>	<b>CSZ :</b>
<b>Company Contact :</b>	<b>Phone :</b>
<b>Email :</b>	<b>Fax :</b>
<b>CONTRACT AWARD :</b>	<b>HIRING SCALE :</b>

<b>TOTAL CONTRIBUTION :</b>	<b>DATE SUBMITTED :</b>
-----------------------------	-------------------------

**Copy of check MUST be attached to this form to complete verification.**

Job Development Funds Should Be Sent to:  
 (Check or Money Order Only)

**Southern Nevada Regional Housing Authority**  
**For: Section 3 Training Fund**  
**P.O. Box 1897**  
**Las Vegas, NV 89125**  
**Attn : Stacey Bostwick**



**SECTION 3 – CONTRACTOR INITIAL RESPONSE**

Failure to complete this document will lead to your bid being deemed non-responsive.

**Contractor Information**

\_\_\_\_\_  
Company Name (Contractor) \_\_\_\_\_  
Contact Person

\_\_\_\_\_  
Address

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

\_\_\_\_\_  
Phone \_\_\_\_\_  
Fax \_\_\_\_\_  
E-mail

**Section 3 Commitment**

To meet the requirements of Section 3 of the Housing Act of 1968 [12 U.S.C. 1701u], as amended, the terms of the contract, and pursuant to Southern Nevada Regional Housing Authority’s policies outlined in the Section 3 Plan, the Contractor hereby agrees to provide the following opportunity or opportunities to low-income and low-skilled persons particularly those persons who are recipients of public housing: (select all that apply)

- Joint venture with a SNRHA Resident-Owned Business (ROB). The business must be 51% or more owned by SNRHA public housing residents and receive 51% or more of the contract award
- Direct hiring of SNRHA’s Public Housing residents, Housing Choice Voucher participants and/or low and very low-income neighborhood residents based on the Section 3 Hiring Scale

Number of Hires Projected: \_\_\_\_\_

- Contractor incurs the cost of providing skilled training for residents in an amount commensurate with the sliding scale set forth in the Section 3 Hiring Scale

Proposed Training Program: \_\_\_\_\_

Proposed Training Cost: \_\_\_\_\_

- Contractor makes a contribution to the SNHRA’s Section 3 Job Development Fund

**Upon award of the contract, the contractor will meet with SNRHA to develop the Section 3 Plan specific to the contract, including scheduled progress and compliance deadlines.**

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