

**SECTION 3 AND EQUAL OPPORTUNITY CONTRACTING
PROJECT UTILIZATION PLAN**

COVER SHEET

General Submittal Instructions:

Bidder/Proposer AND its first-tier subcontractors are to submit a completed Section 3 and Equal Opportunity Contracting Project Utilization Plan(s) in bid. If not, Utilization Plan(s) must be submitted within 24 hours, upon request by SDHC. A “non-responsive” determination may be made due to non-submittal within 24 hours.

Bidder/Proposer AND its first-tier subcontractors whose Utilization Plans indicate no subcontract awards to certified Section 3 Business Concerns will be required to submit, within 24 hours upon request by SDHC, supporting documentation for review and approval verifying efforts to outreach to and award subcontracts to Section 3 Business Concerns. A “non-responsive” determination shall be made due to a lack of documented outreach to Section 3 Business Concerns by the Bidder/Proposer. Exception: bid/proposal indicating no projected hiring and/or subcontracting opportunities.

Special Instructions for SDHC Developers:

Submit all completed Section 3 and Equal Opportunity Contracting Project Utilization Plans before construction begins and/or at the beginning of each project phase (to be determined on case-by-case basis). Developers submit completed Utilization Plans to:

San Diego Housing Commission
Section 3/EOC Unit
1122 Broadway, Ste. 300
San Diego, CA 92101
Section3@sdhc.org

Prime Contractor Name:	Bid/Solicitation # and Project Name:
Contractor or Subcontractor Name and Address:	Taxpayer ID Number:
Contact Name:	Email Address:
Telephone Number:	Proposed Dollar Value of Contract or Subcontract: \$

Check All That Apply For This Project And Follow Instructions As Applicable

I am the Prime Contractor:

I am a Subcontractor:

There will be subcontracts as a result of this bid/proposal: Complete Cover Sheet and Attachment I.

There will be new hires as a result of this bid/proposal: Complete Cover Sheet and Attachment II.

There will be no subcontracts or new hires as a result of this bid/proposal: Complete Cover Sheet.

Bidder for the above bid/solicitation number and project hereby understands and agrees to comply with all provisions of Section 3 as set forth in 24CFR135.38 and SDHC’s Section 3 requirements, as applicable. Noncompliance with HUD’s Section 3 regulations may result in sanctions, termination of the contract/agreement for default and debarment or suspension from future HUD-assisted contracts.

Authorized Official’s Signature: _____ **Date:** _____

Printed Name and Title: _____

FOR ADDITIONAL INFORMATION, REGISTRY OF CERTIFIED SECTION 3 BUSINESS CONCERNS AND SECTION 3 RESIDENTS, AND INSTRUCTIONS FOR COMPLETING FORMS GO TO: [HTTP://WWW.SDHC.ORG/BUSINESS-OPPORTUNITIES/SECTION3](http://www.sdhc.org/BUSINESS-OPPORTUNITIES/SECTION3)

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ATTACHMENT I: SECTION 3 BUSINESS CONCERN UTILIZATION PLAN

If you plan to award subcontracts and your Utilization Plan does not indicate subcontract awards to certified Section 3 Business Concerns, you will be required to submit supporting documentation verifying your efforts, to the greatest extent feasible, to outreach to and award subcontracts to Section 3 Business Concerns. **AT A MINIMUM, YOU MUST OUTREACH TO THE BUSINESSES LISTED IN SDHC'S REGISTRY OF CERTIFIED SECTION 3 BUSINESS CONCERNS.** If the registry of certified Section 3 Business Concerns does not represent the trades/services that you are seeking, contact the SDHC Section 3/EOC Unit at section3@sdhc.org or (619) 578-7579 to obtain "Examples of Efforts to Award Contracting Opportunities."

Section 3 Business Concerns **must be** certified by SDHC. For ELBE, SLBE, SB, DBE, MBE, WBE or DVBE firms, please attach a copy of their certification(s).¹ **List ALL** proposed subcontractors (including subconsultants) for this project on the table below.

<i>Name, City & State</i>	<i>Taxpayer ID Number</i>	<i>Certified Section 3 Business Concern (yes/no)</i>	<i>Identify if ELBE/SLBE/SB/DBE/MBE/WBE/DVBE</i>	<i>Subcontract Amount (\$) and Percentage (%) of Total Contract Amount</i>		<i>Trade/Category of Work</i>
Total Subcontract Amount - Dollars and Percentage of Total Contract Amount:						
Total Subcontract Amount Awarded to Certified Section 3 Business Concerns – Dollars and Percentage of Total Contract Amount:						

Owner/Authorized Officer and Title: _____ Company: _____

Signature: _____ Date: _____

FOR ADDITIONAL INFORMATION, REGISTRY OF CERTIFIED SECTION 3 BUSINESS CONCERNS AND SECTION 3 RESIDENTS, AND INSTRUCTIONS FOR COMPLETING FORMS GO TO: [HTTP://WWW.SDHC.ORG/BUSINESS-OPPORTUNITIES/SECTION3](http://www.sdhc.org/BUSINESS-OPPORTUNITIES/SECTION3)

¹ There are no numeric goals established for these certifications. However, affirmative efforts are required to ensure small businesses (SB) minority-owned (MBE) and woman-owned business enterprises (WBE) and other individuals and firms located in or owned by, in substantial part, persons residing in SDHC's and/or Labor Surplus Areas are used whenever possible.

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ATTACHMENT II: SECTION 3 RESIDENT UTILIZATION PLAN

If you plan to hire new employees, a **documented effort** must be made to hire **certified** Section 3 Residents, to the greatest extent feasible, for full-time, permanent, temporary or seasonal employment. Section 3 Residents **must be** certified by SDHC.

JOB CATEGORY	PROJECTED NUMBER OF FULL-TIME EMPLOYEES THAT WILL BE HIRED	PROJECTED NUMBER OF FULL-TIME EMPLOYEES THAT WILL BE CERTIFIED SECTION 3 RESIDENTS	NUMBER OF SECTION 3 APPRENTICES
Official & Management			
Professional			
Technicians			
Service Workers			
Office and Clerical			
Sales			
Craft Workers (Skilled)			
Operatives (Semi-Skilled)			
Laborers (Unskilled)			
Other			
TOTALS			

Owner/Authorized Officer and Title: _____

Company: _____

Signature: _____ Date: _____

FOR ADDITIONAL INFORMATION, REGISTRY OF CERTIFIED SECTION 3 BUSINESS CONCERNS AND SECTION 3 RESIDENTS, AND INSTRUCTIONS FOR COMPLETING FORMS GO TO: [HTTP://WWW.SDHC.ORG/BUSINESS-OPPORTUNITIES/SECTION3](http://www.sdhc.org/BUSINESS-OPPORTUNITIES/SECTION3)

ABRIDGED SECTION 3 FAQ FOR BIDDERS/PROPOSERS

1. Who is a Section 3 Resident?

A Section 3 Resident is a person who is a resident of public housing who resides in the County of San Diego; or a low- or very low-income person who resides in the County of San Diego. Go to <http://www.sdhc.org/Business-Opportunities/Section3>.

2. What is a Section 3 Business Concern?

A Section 3 Business Concern means a business concern that meets one of the following criteria: (1) at least 51 percent ownership by a Section 3 Resident; or (2) at least 30 percent of its permanent full-time employees include persons that are currently Section 3 Residents, or were Section 3 eligible residents within 3 years of date of first employment with the business concern; or (3) provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to Section 3 Business Concerns that qualify via the Section 3 ownership or workforce criterion.

3. Who can become certified as a Section 3 Business Concern?

A business concern that meets the eligibility criterion of (1) or (2) as set forth in the answer to question #2, "What is a Section 3 Business Concern?" can certify. SDHC does not certify Section 3 Business Concerns that qualify based on criterion (3). Instead, their Section 3 commitments are evaluated on a per contract basis.

4. Do certified Section 3 Business Concerns have to comply with the Section 3 requirements?

Yes. Certified Section 3 Business Concerns that are awarded Section 3 covered contracts or subcontracts must comply.

5. How can I demonstrate Section 3 compliance in my proposal/bid/quote?

A bidder/proposer and its first-tier subcontractors demonstrate Section 3 compliance by submitting: (1) Section 3 and Equal Opportunity Contracting Project Utilization Plans (includes Attachments I and II) that project a commitment to award contracts to certified Section 3 Business Concerns and/or hire certified Section 3 Residents, if there is a need to award contracts and/or hire new employees; and (2) supporting documentation verifying that the bidder/proposer and its first-tier subcontractors outreached to Section 3 Business Concerns.

6. What are examples of supporting documentation that verify outreach to Section 3 Business Concerns?

At a minimum, supporting documentation shall include a log of calls or copies of emails—with outcomes—to SDHC certified Section 3 Business Concerns. To obtain registry of certified Section 3 Residents and Section 3 Business Concerns, or "Examples of Efforts to Award Contracting Opportunities," contact SDHC Section 3/EOC Unit at section3@sdhc.gov or (619) 578-7579.

7. What happens if I do not submit, upon request by SDHC, supporting documentation verifying outreach to Section 3 Business Concerns?

A bid/proposal shall be deemed "non-responsive" due to a lack of documented outreach to Section 3 Business Concerns.

8. Do I have to comply with Section 3 requirements, if I do not plan to hire new employees and I do not plan to award contracts/subcontracts?

No. The requirements to comply with Section 3 are triggered when there is a need for new hires, contractors and/or subcontractors.

9. What is the Section 3 Clause, and why is it important?

The contractor must include the Section 3 Clause in its entirety in every subcontract that is subject to compliance with Title 24, Part 135 of the Code of Federal Regulations. The Section 3 Clause is the contract provisions set forth in Title 24, Part 135.38 of the Code of Federal Regulations.

10. Does SDHC monitor Section 3 Compliance? Yes. SDHC Section 3/EOC Unit monitors compliance by reviewing contractors' and subcontractors' certified payroll and/or workforce reports. Contractors and subcontractors must seek to maintain their approved percentages of Section 3 participation throughout the term of the Section 3 covered contract/project.