**FEDERAL REQUIREMENTS**

**FOR**

**PROFESSIONAL CONTRACTS**

**FEDERAL REQUIREMENTS**

**FOR PROFESSIONAL CONTRACTS**

**RELATED TO PROJECTS $100,000 OR MORE**

1. General Federal Provisions
2. Nondiscrimination and Equal Employment Opportunity
   1. Overview of Applicable Equal Opportunity Legislation and Equal Opportunity Clauses
   2. Contract Requirements
   3. Certification of Nonsegregated Facilities (Consultant submits when the Contract is signed; Subcontractors submit before work begins.) \*
   4. Certification of Compliance with Affirmative Action Requirements for Equal Employment Opportunity (Consultant submits when the Contract is signed; Subcontractors submit before work begins.)\*
3. Minority and Women Owned Business Enterprise Requirements
   1. Policy with Respect to Minority and Women Owned Business Enterprises
   2. Minority and Women Owned Business Enterprise Identification Statement (Consultant submits when the Contract is signed, if applicable; Subcontractors submit before beginning work, if applicable.)\*
4. Section 3
   1. The Section 3 Clause
   2. Targeted Incomes for Section 3
   3. Basic Actions for Compliance with Section 3
   4. Section 3 Agreement and Certification (Consultant submits when the Contract is signed; Subcontractors submit prior to beginning work.)\*
   5. Final Report on Compliance with Section 3 (Consultant submits at end of project.)

Revised June 2019

**GENERAL FEDERAL**

**PROVISIONS**

**GENERAL FEDERAL PROVISIONS**

**FOR CONSTRUCTION CONTRACTS**

The following general federal provisions are a part of this Contract and do not require submittal of additional documentation, forms, reports, or certifications, except in unusual circumstances.

1. Interest of Members of Local Public Agency. No member of the governing body of Arundel Community Development Services, Inc. (ACDS) and no other officer, employee, or agent of ACDS who exercises any functions or responsibilities in connection with the approval or review or carrying out of the project or program to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract.
2. Interest of Local Public Officials. No member of the governing body of Anne Arundel County, Maryland (referred to herein as “the County”) and no other public official of the County who exercises any functions or responsibilities in the review or approval or the carrying out of the project or program to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract.
3. Interest of Certain Federal Officials. No member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share in or part of this Contract or to any benefit to arise therefrom.
4. Interest of Consultant. The Consultant covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, in the project area or any parcels therein, or any other interest which would conflict with the performance of this contract and covenants that no person having any such interest shall be employed.
5. Subcontracts and Other Contracts. The Consultant will certify that all contracts with applicants, recipients, subcontractors, and consultants contain the applicable federal requirements.
6. Access to Records. ACDS, the County, HUD, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of the Consultant which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions.
7. Retention of Records. All required records pertinent to this Contract shall be retained by the Consultant for four years after final payment is made. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the four-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular four year period, whichever is later.
8. Accessibility. Every building or facility (other than a privately-owned residential structure) designed, constructed, or altered as a result of this Contract and made available through federal financial assistance, shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, 24 CFR Part 8 Subpart A, Section 8.4 of the Fair Housing Amendments Act of 1988, and Section 303 of the Americans with Disabilities Act of 1990.
9. Lead-Based Paint Requirement. The Consultant and all subcontractors, vendors, and consultants shall comply with 24 CFR 35: Prohibition of Use of Lead-Based Paint and Elimination of Lead-Based Paint Hazard, when applicable to projects or programs resulting from this Contract.
10. Clean Air and Water Pollution. The Consultant and all subcontractors, vendors, and consultants shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U. S. C. et. seq.) and the Federal Water Pollution Control Act (33 U. S. C. 125 et. seq.), as amended, when applicable to projects or programs resulting from this Contract.
11. Energy Conservation. The Consultant and all subcontractors, vendors, and consultants shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
12. Eligibility of Consultant and Exclusion of Entities Debarred from Federally Funded Contracts. The Consultant certifies that neither the Consultant nor any person or firm who has an interest in the Consultant’s firm is ineligible to be awarded contracts utilizing federal funds. The Consultant shall refrain from entering into any contract or contract modification with an applicant, recipient, contractor, subcontractor, vendor, or consultant debarred from contracts funded in whole or in part with federal funds or from participation in HUD programs.
13. Lobbying Certification. In accordance with the Housing and Community Development Act of 1974, as amended, and with 24 CFR 570.303 of the Community Development Block Grant regulations, the Consultant certifies that:
14. no federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative contract;
15. if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative contract, it will complete and submit Standard Form LLL, “Disclosure Form to Report Lobbying,” in accordance with its instruction; and
16. the Consultant will require that this language will be included in the award of contracts to all subcontractors, suppliers, and vendors related to this Contract.
17. Submittal of Certifications, Forms, and Reports. The Consultant must complete and, if applicable, require all subcontractors to complete all certifications, forms, and reports specified in this Contract in a manner acceptable to ACDS. Interim and/or final payments may be withheld by ACDS pending receipt and approval by ACDS of these certifications, forms, and reports.
18. Drug-Free Work Place. The Consultant will provide a drug-free work place by:
19. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Consultant’s work place and specifying actions that will be taken against employees for violation of such prohibition;
20. establishing an ongoing drug-free awareness program to inform employees about
21. the dangers of drug abuse in the work place,
22. the Consultant’s policy of maintaining a drug-free work place,
23. any drug counseling, rehabilitation, and employee assistance programs that may be available, and
24. the penalties that may be imposed upon employees for drug abuse violations occurring in the work place;
25. making it a requirement that each employee to be engaged in the performance of the scope of services be given a copy of the statement required by Item 15.a.;
26. notifying the employee in the statement required by Item 15.a. that, as a condition of employment under the scope of services, the employee will
27. abide by the terms of the statement, and
28. notify the employer in writing of their conviction for a violation of a criminal drug statute occurring in the work place no later than five calendar days after such conviction;
29. notifying ACDS, in writing, within 10 days after receiving notice under Item 15.d(2) from an employee or otherwise receiving actual notice of such conviction and providing notice, including position title, to every contractor, employer, or subcontractor on whose activity the convicted employee was working, unless the Consultant has designated a central point for the receipt of such notices;
30. within 30 calendar days of receiving notice under Item 15.d(2), with respect to any employee who is so convicted, the Consultant shall
31. take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
32. require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency; and
33. making a good faith effort to continue to maintain a drug-free work place through implementation of Items 15.a. through 15.f.

As part of the commitment to maintain a drug-free work place, the Consultant must insert in the following space the site(s) for the performance of work done in connection with this Contract.

Place of Performance:

Street Address:

City/State/Zip Code:

**NONDISCRIMINATION**

**AND**

**EQUAL EMPLOYMENT OPPORTUNITY**

**NONDISCRIMINATION AND**

**EQUAL EMPLOYMENT OPPORTUNITY**

**OVERVIEW**

In accordance with Executive Order 11246 of September 24, 1965, as amended, and as implemented by Department of Labor regulations 41 CFR Chapter 60, the Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Equal Opportunity Clause, the Certification of Nonsegregated Facilities, and the Certification of Compliance with Affirmative Action Requirements for Equal Employment Opportunity which are included in this section are mandated by this Executive Order and the implementing regulations.

In accordance with Title VI of the Civil Rights Act of 1964, there shall be no discrimination on the basis of race, color, or national origin in activities covered by this Contract.

In accordance with Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in activities covered by this Contract, including employment, on the ground of race, color, national origin, sex, or religion, either directly or through contractual, licensing, or other arrangements.

Section 109 which also applies to this Contract, prohibits discrimination on the basis of age under the Age Discrimination Act of 1975.

Section 109 also prohibits discrimination with respect to an otherwise qualified person with disabilities, as provided in Section 504 of the Rehabilitation Act of 1973. In accordance with the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973, there shall be no discrimination against persons with disabilities regarding employment or other economic opportunities resulting from this Contract.

Inclusion of the equal opportunity clauses in this Contract are required by Executive Order 11246 of September 24, 1965, as amended, and as implemented by Department of Labor regulations 41 CFR Chapter 60. The equal opportunity clauses contain the following important provisions:

* nondiscrimination in employment and treatment during employment,
* notices to be posted at the job site,
* equal employment opportunity statement in solicitation and advertising,
* notification to labor unions,
* agreement to comply with all provisions of Executive Order 11246,
* agreement to furnish required reports,
* agreement to permit access to records,
* sanctions and remedies for non-compliance, and
* inclusion of clause in all subcontracts and obligation of Consultant to help enforce it.

**CONTRACT REQUIREMENTS**

1. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited (i) employment, upgrading, demotion, or transfer; (ii) recruitment or recruitment advertising; (iii) layoff or termination; (iv) rates of pay or other forms of compensation; and (v) selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provision of this nondiscrimination clause.
2. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant during the performance of this contract, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The Consultant will send to each labor union or representative of workers with which the Consultant has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor unions or worker’s representatives of the Consultant’s commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. During the performance of this contract, the Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Consultant’s non-compliance with the nondiscrimination clauses of the contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The Consultant will include the equal opportunity clause and all the contract requirements defined herein in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for non-compliance; p*rovided*, *however*, that in the event a Consultant becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

**CERTIFICATION OF NONSEGREGATED FACILITIES**

**Consultant submits this form when the Contract is signed. Subcontractors must submit this form before beginning work on the project.**

Company Name:

Company Address:

Company Telephone Number: Date:

Company Tax Identification Number:

Name of Project: **Error! Reference source not found.**

Is Company (check one): **🞎** *Consultant* or **🞎** *Subcontractor* on this project?

*As used in this certification, the term “segregated facilities” means any waiting room, work area, rest rooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom or otherwise.*

The Consultant certifies that no segregated facilities are or will be maintained or provided for the Consultant’s employees at any of the Consultant’s establishments, and that the Consultant’s employees do not and will not be permitted to perform their services at any location under the Consultant’s control where segregated facilities are maintained.

The Consultant further agrees (except if the Consultant has obtained identical certifications from proposed Subcontractors for specific time periods) that, prior to entering into subcontracts which exceed $10,000 and are not exempt from the Equal Opportunity Clause, the Consultant will

1. obtain identical certifications from proposed Subcontractors;
2. retain the certification in its files; and
3. forward the following notice to proposed Subcontractors (except if the proposed Subcontractors have submitted identical certifications for specific time periods):

“Notice to Prospective Subcontractors of Requirement for Certifications of Nonsegregated Facilities: A Certification of Nonsegregated facilities must be submitted before the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e. quarterly, semiannually, or annually).”

The Consultant agrees that a breach of this certification or a breach of a Subcontractor’s identical certification is a violation of the Equal Opportunity Clause in the Contract. The penalty for making false statements in these certifications is prescribed in 18 U.S.C. 1001.

Signature of Officer or Owner of Company:

Printed Name and Title of Signatory Above:

**CERTIFICATION OF COMPLIANCE WITH AFFIRMATIVE ACTION REQUIREMENTS FOR EQUAL EMPLOYMENT OPPORTUNITY**

**Consultant submits this form when the Contract is signed. Subcontractors must submit this form before beginning work on the project.**

Company Name:

Company Address:

Company Telephone Number: Date:

Company Tax Identification Number:

Name of Project: **Error! Reference source not found.**

**Check YES or NO whether the following statement applies to this company. If YES, complete the remainder of this form. If NO, do not answer the remaining questions.**

The company has more than 50 employees AND has or is bidding for a contract or purchase order amounting to $50,000 or more for the project designated above.

**🞎** Yes **🞎** No

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

*Executive Order 11246 and 41 CFR part 60 require that certain companies involved in federally assisted construction projects develop and keep on file at each of their establishments an Affirmative Action Plan for achieving equal employment opportunity. Progress reports on utilization of minorities are to be completed annually on or before March 31. Previously, the reports were to be submitted to the Equal Employment Opportunity Commission or the administering agency within 30 days after the award of the contract or subcontract unless such a report was previously filed within 12 months preceding the date of the award. The requirement now is that these progress reports be kept on file at the company. Bidders and subcontractors who meet the criteria above must also answer the following questions.*

The company has developed and has on file at each establishment affirmative action programs as required by 41 CFR part 60.

**🞎** Yes **🞎** No

The company has participated in a previous contract or subcontract subject to the equal opportunity clause requirements for affirmative action programs.

**🞎** Yes **🞎** No

The company has filed all reports as required by 41 CFR part 60.

**🞎** Yes **🞎** No

Signature of Officer or Owner of Company:

Printed Name and Title of Signatory Above:

**MINORITY**

**AND**

**WOMEN OWNED**

**BUSINESS ENTERPRISES**

**POLICY WITH RESPECT TO**

**MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES**

To the maximum extent feasible, opportunities for contracting in connection with this project shall be given to MBEs/WBEs. Upon acceptance of a bid by ACDS, if any portion of the Contract is subcontracted, the Consultant will be expected to solicit MBE/WBE firms to bid on various aspects of the Contract. Resources available to assist the Consultant in finding or notifying MBE/WBE firms include, but are not limited to the following.

The Anne Arundel County MBE Program:

MBE Coordinator, Community and Minority Outreach Officer

2660 Riva Road, Third Floor

Annapolis, MD 21401

[exmatt38@aacounty.org](mailto:Phjack20@aacounty.org)

Phone: (410) 222-7667

Anne Arundel County Directory of Minority & Women-Owned Businesses, available online at [www.aacounty.gov/services-and-programs/directory-of-minority--woman-owned-businesses](http://www.aacounty.gov/services-and-programs/directory-of-minority--woman-owned-businesses)

A list of MBE/WBE certified by the Maryland Department of Transportation may be accessed online by visiting: [www.mdot.state.md.us](http://www.mdot.state.md.us).

Minority trade associations:

Maryland/Washington Minority Contractors Association

2423 Maryland Avenue, Suite 200

Baltimore, MD 21218

E-mail: [mmca.inc@gmail.com](mailto:mmca.inc@gmail.com)

E-mail: [info@mmca-inc.net](mailto:info@mmca-inc.net)

For each MBE/WBE with whom a Consultant into a contract, the MBE/WBE Identification Statement shall be completed. This form was designed by ACDS to obtain information, which it must report to the federal government on behalf of Anne Arundel County regarding MBE/WBE participation in certain HUD programs. It is the only MBE/WBE certification required for this project by ACDS and by HUD. However, some projects, which are partially financed by the State of Maryland, may require a separate certification of a firm by the Maryland Department of Transportation in order for the firm to count toward meeting the State’s minority business participation goals for the project. If State funding of the project requires Maryland Department of Transportation certification and any additional documentation, those requirements will be stated elsewhere in the Contract.

**MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES**

**IDENTIFICATION STATEMENT**

This form is to be submitted by General Contractor, Consultant, or Service Provider as part of the Contract or Agreement, and by Subcontractors before they begin work.

Name of Company/Organization: **Error! Reference source not found.**

Address of Company/Organization:

Company/Organization Telephone Number:

Company/Organization Tax Identification Number:

Name of Project: **Error! Reference source not found.**

1. Indicate if, on this project, you are a

🞎 General Contractor/Consultant/Services Provider

* Subcontractor

**If none of your owners or officers is a minority, please skip Sections 2 through 8 and sign and date this form where indicated.**

1. Is your firm certified as an MBE or WBE? **🞎** Yes **🞎** No

**If so, attach a copy of your MBE/WBE certification form and skip Sections 3 through 8 and sign and date form as indicated.**

If you are not certified as a MBE or WBE, please self certify by answering Sections 3 through 9.

1. When was the company/organization established?
2. State the name of each owner/officer of the enterprise, their minority group, percentage of ownership, and type of investment.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name** | **WBE** | | **MBE** | | | **Minority Group(Check all that apply)** | | | |
| **Yes** | **No** | **No** | **Yes** | **% Owner-**  **ship** | **African**  **American** | **Hispanic American** | **Native American** | **Asian/**  **Pacific Islander American** |
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1. The above percentages of MBE or WBE ownership have existed since      .
2. Does any owner of your enterprise who is not a minority group member also have an ownership interest in any other firm working on this project? **🞎** Yes **🞎** No

*(If yes, state the name of each such owner and the names of the firms in which such ownership interests exists.)*

1. Are any of the minority owners/officers listed in Question #4 a former or current employee of any other firm working on the project? **🞎** Yes **🞎** No

*(If yes, state the name(s) of the individual(s), name(s) of the employer(s), date(s) of employment with the other firm(s), and responsibilities in such employment.)*

1. Has your enterprise subcontracted with other firms any work to be performed on this project?

**🞎** Yes **🞎** No

*(If yes, state the percentage of work subcontracted and the nature of such work.)*

I certify that the foregoing information is correct and complete.

Printed or Typed Name of Owner or Officer Signature of Owner or Officer

Title of Owner or Officer Above Date

**SECTION 3**

Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to this project. **This means that, to the greatest extent feasible, the Consultant will attempt to hire low income residents of the Baltimore Metropolitan Area and contract with firms that are owned by or which utilize low income residents of the Baltimore Metropolitan Area.**

The Consultant and Subcontractors should review and/or submit the following Section 3 documents contained herein:

1. **The Section 3 Clause, including Bidding Preference** (Information)
2. **Targeted Incomes for Section 3** (Information)
3. **Basic Actions for Compliance with Section 3** (Information)
4. **Section 3 Agreement and Certification**

* Form: Consultant shall sign when the contract for the project is signed; Subcontractors shall submit this form to ACDS through the Consultant prior to beginning work on the project.

1. **Final Report on Compliance with Section 3**

* Form: Consultant shall submit to ACDS at the end of the project.

# THE SECTION 3 CLAUSE

Inclusion of the following clauses in this contract are required by law.

1. The federally defined Section 3 regulations are a means to foster local economic development, neighborhood economic improvement, and individual self-sufficiency through housing and community development projects funded in whole or in part by the federal Department of Housing and Urban Development (HUD).
2. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Community 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.
3. 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.
4. The Consultant 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 Consultant will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of regulations in 24 CFR 135.
5. The Consultant will certify that any vacant employment positions, including training positions, that are filled (i) after the contractor is selected but before the contract is executed, and (ii) 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.
6. 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.
7. Any Consultant who does not meet the Section 3 numerical goals must demonstrate why meeting the goals was not feasible. In the absence of evidence to the contrary, a contractor and/or subcontractor who reports meeting the minimum numerical goals for all new hires and contracting opportunities will be considered to have met the Section 3 requirements. In evaluating compliance under Section 3, a contractor or subcontractor who has not met the numerical goals has the burden of demonstrating why it was not feasible to meet the numerical goals. Such justification may include statements regarding impediments encountered despite actions taken. In addition, to further demonstrate efforts taken to meet the numerical goals, a contractor and/or a subcontractor may provide acceptable documentation as to the efforts taken to provide economic opportunities provided to Section 3 Residents or Section 3 Business Concerns. All prime contractors may satisfy the resident hiring requirements through its subcontractors. ACDS shall withhold final payment to the contractor until all applicable Section 3 forms have been submitted and the contractor has demonstrated full compliance with Section 3 requirements.

# TARGETED INCOMES FOR SECTION 3

It is the policy of ACDS to ensure that residents of the Baltimore Metropolitan Statistical Area whose family incomes do not exceed 80 percent of the median family income for that area shall participate, to the greatest extent feasible, in the economic opportunities generated by HUD financial assistance. Economic opportunities include training, employment, contracting or subcontracting, and purchasing. The current income levels for families at 80 percent or below of the area median adjusted for family size appears below. A “targeted income” person for Section 3 is a resident of the Baltimore Metropolitan Area whose annual earnings are no more than these amounts. A Section 3 business is 51 percent or more owned by targeted income persons, or employs such persons for 30 percent or more of its full time workforce, or utilizes Section 3 businesses for at least 25 percent of the dollar value of all its subcontracts.

80 PERCENT OF MEDIAN FAMILY INCOME BY FAMILY SIZE FOR THE BALTIMORE METROPOLITAN STATISTICAL AREA

July 2020

|  |  |
| --- | --- |
| **Family Size** | **Annual Income** |
| 1 Person | $54,950 |
| 2 Persons | $62,800 |
| 3 Persons | $70,650 |
| 4 Persons | $78,500 |
| 5 Persons | $84,800 |
| 6 Persons | $91,100 |
| 7 Persons | $97,350 |
| 8 Persons | $103,650 |

**Numerical Goals for Employment and Training of Section 3 Persons**

30 percent of the aggregate number of new hires on the project.

**Numerical Goals for Contracts with Section 3 Businesses**

1. At least 10 percent of the total dollar amount of all Section 3 covered contracts for **building trades** work; and
2. at least 3 percent of the total dollar amount of all **other** Section 3 covered contracts (e.g. construction management, engineering and architectural services, cleaning, moving and storage, or security contracts connected with construction projects).

**Proof of Eligibility for Preference**

A Section 3 resident seeking preference shall certify or submit evidence to the Consultant, or subcontractor, *if requested*, as to Section 3 status. A business seeking to qualify for a Section 3 contracting preference shall certify or submit evidence, *if requested*, that it is a Section 3 business.

**Qualifications for the Job**

There is no requirement to hire a Section 3 resident who does not meet the qualifications of the position to be filled. A Section 3 business seeking a contract or subcontract shall submit evidence to the Consultant, or subcontractor, *if requested*, that it is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract.

# BASIC ACTIONS FOR COMPLIANCE WITH SECTION 3

# IN HIRING AND CONTRACTING

1. Before beginning work on the project, the Consultant and Subcontractors will certify that the company will comply with Section 3 and will carry out the Basic Actions for Compliance listed herein.
2. The Consultant and Subcontractors will cooperate with ACDS in informing referral agencies and community organizations about hiring and contracting opportunities and will respond to expressions of interest by Section 3 job applicants and Section 3 businesses.
3. The Consultant will post at the site (i) a notice that this is a Section 3 project and (ii) information about specific job openings and contracting opportunities and how to apply.
4. The Consultant will accept job applications at the site and maintain a file of those applications for use by all subcontractors on the project. Subcontractors will consider applicants from this file.
5. When a specific job opening occurs, the Consultant or Subcontractor will contact the following for a referral of a low or very low income Anne Arundel County resident.

Employer Services Representative

Anne Arundel Workforce Development Corporation One-Stop Career Center

80 West Street, Suite A

Annapolis, MD 21401

(410) 269-4423

1. In cases where two or more Section 3 individuals or businesses are competing for the same opportunity and other factors such as qualifications or costs are equal, the Consultant will consult with ACDS for guidance as to locally established priorities.
2. After completion of the project, the Consultant and Subcontractors will, as requested by ACDS, report on subcontracting and hiring activity related to the project.

**SECTION 3 AGREEMENT AND CERTIFICATION**

The Consultant or Service Provider must submit this form when signing the Contract. Subcontractors submit this form prior to starting work.

Company Name: **Error! Reference source not found.**

Company Address:

Company Telephone Number: Date:

Company Tax Identification Number:

Name of Project: **Error! Reference source not found.**

Estimated number of new employees company expects to hire for this project:

Number of Subcontractors this company expects to utilize for this project:

## Please check YES or NO by each of the following statements to indicate whether or not it applies to your company.

|  |  |  |
| --- | --- | --- |
| YES | NO |  |
|  |  | The company is 51 percent or more owned by Section 3 persons. |
|  |  | At least 30 percent of the permanent full time employees are Section 3 persons or were so within 3 years of the date they were hired by the company. |
|  |  | For at least 25 percent of the dollar value of all its subcontracts, the company commits to subcontract with firms that are either 51 percent or more owned by Section 3 persons or which employ such residents for at least 30 percent of its permanent full time work force. |

## Statement of Agreement to Comply with Section 3 and Certification

The company named above has read the general information about Section 3 which appears in the Contract for the project, will comply with the goals and provisions of Section 3 as they apply to this project, and will carry out the basic actions for compliance as stated in the Contract. The company certifies that no hiring done during the period between selection of the Consultant and execution of the Contract was intended to circumvent obligations under Section 3. The company further certifies to the correctness of the information it has provided above for use in determining whether or not it is a Section 3 business.

Signature of Officer or Owner of the Company:

Printed Name of Signatory Above:

Title of Signatory:

# FINAL REPORT ON COMPLIANCE WITH SECTION 3

The Consultant or Service Provider shall submit this form to ACDS at the end of the completion of the project. Final payments on the project may be withheld until this report is received.

Company Name:

Company Address:

Company Telephone Number: Date:

Company Tax Identification Number:

Name of Project: **Error! Reference source not found.**

Please provide the following information about economic opportunities provided **ON THIS PROJECT** to Section 3 persons and businesses by your company and all your subcontractors. (See contract document “Targeted Incomes for Section 3.”)

|  |  |  |  |
| --- | --- | --- | --- |
| **Job Category** | **Total New Hires** | **Total New Hires that are Section 3 Residents** | **Total Section 3 Trainees on this Project** |
| Professional/Supervisory |  |  |  |
| Office/Clerical |  |  |  |
| Construction (List Trades) |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Other (List) |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Total |  |  |  |

**Sub Contracts Awarded**

**Construction Sub Contracts Only**

Total dollar amount of all contracts awarded on the project $

Total dollar amount of all contracts awarded to Section 3 businesses $

Percentage of total contract dollars that was awarded to Section 3 businesses %

Total number of Section 3 business receiving contracts

**Non-Construction Contracts Only**

Total dollar amount of all contracts awarded on the project $

Total dollar amount of all contracts awarded to Section 3 businesses $

Percentage of total contract dollars that was awarded to Section 3 businesses %

Total number of Section 3 business receiving contracts

**Summary of Efforts**

The following efforts were made to direct the employment and other economic opportunities of the project, to the greatest extent feasible, toward low and very low income persons, particularly those who are recipients of government assistance for housing. Please check all items that apply.

|  |  |
| --- | --- |
|  | Attempted to recruit low-income residents through local advertising media. |
|  | Attempted to recruit low-income residents through signed prominently displayed at the project site and acceptance of applications at project site |
|  | Attempted to recruit low-income residents through contacts with community organizations and public or private agencies |
|  | Attempted to recruit low-income residents through coordination with HUD Youthbuild Programs or other publicly funded job training programs for low-income residents of Anne Arundel County |
|  | Informed referral agencies or community organizations about contracting opportunities |
|  | Notified labor organizations about Section 3 commitment |
|  | Participated in a HUD or other programs which promotes Section 3 training and employment |
|  | Participated in a HUD or other programs which promotes contracts with Section 3 businesses |

If numerical goals were not met, please explain below why it was not feasible to do so.

**The company named above has complied with Section 3 as stated above.**

Signature of Office or Owner of Company

Printed Name of Signatory

Title of Signatory

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