

CITY OF LOCK HAVEN
CLINTON COUNTY, PENNSYLVANIA

SECTION 3 ACTION PLAN

JULY 2017

Adopted by Lock Haven City Council – July 17, 2017



Policy Statement

It is the public policy of the City of Lock Haven to promote the opportunity for full participation by low- and very low- income persons and to business concerns which provide economic opportunities to low- and very low-income persons in its Community Development Block Grant (CDBG), HOME Program, and Emergency Shelter Grant Program.

The City of Lock Haven will develop a Section 3 Action Plan to identify the goals, objectives, and actions that will be implemented to ensure compliance with the requirements of Section 3.

The City of Lock Haven intent is to develop this plan to include input from various municipal departments, as well as DCED. When it is applicable, input from other agencies and companies will be included in this plan.

Section 3 Numerical Goals

Sub-grantees must comply with the following Commonwealth of Pennsylvania numerical goals as mandated by 24 CFR 135.30:

Employment & Training

It is the policy of the City of Lock Haven to utilize residents and other Section 3 eligible persons and businesses in contracts partially or wholly funded with monies from the Department of Housing and Urban Development (HUD). The City of Lock Haven has established employment and training goals that contractors and subcontractors should meet in order to comply with Section 3 requirements. The Section 3 Employment numerical goal is:

- Thirty percent (30%) of the aggregate number of new hires in any fiscal year.

Contracting Goals

Sub-grantees may demonstrate compliance with this requirement by committing to award to Section 3 businesses at least 10 percent of the total dollar amount of all section 3 covered contracts in connection with housing rehabilitation, housing construction and other public construction.

- Ten percent (10%) of the total project cost of Section 3 covered projects in any fiscal year in connection with housing rehabilitation, housing construction and other public construction.

It is the responsibility of contractors, vendors and suppliers to implement progressive efforts to attain Section 3 compliance. Any contractor that does not meet the Section 3 numerical goals must demonstrate why meeting the goals were not feasible. All contractors

submitting bids or proposals to the City of Lock Haven (Sub-Grantee) are required to certify that they comply with the requirements of Section 3.

The Section 3 Contract Clause specifies the requirements for contractors hired for Section 3 covered projects. The Section 3 Clause must be included in all Section 3 covered projects. The Section 3 Contract Clause is included in Exhibit 3.

Section 3 Program Participant Certification Procedure

The Section 3 Compliance Officer, Leonora Hannagan, will certify Section 3 program participants who reside in the City of Lock Haven and who are seeking preference in training and employment by completing and attaching adequate proof of Section 3 eligibility, as required (see Exhibit 3 – Section 3 Participant Eligibility for Preference form).

- All persons living in the community who meet the Section 3 eligibility guidelines can, by appointment, visit with the Section 3 Compliance Officer to complete a job readiness assessment.
- Once this assessment is complete, the Section 3 Compliance Officer will determine if the individual meets the eligibility requirements and is job ready.
- If the individual is deemed eligible for Section 3 participation and deemed not ready for employment, a referral will be made to other agencies that are better equipped to address the individual's needs, i.e., substance abuse providers, etc.
- The Section 3 job readiness component is a part of the City of Lock Haven's commitment to provide economic opportunities and training to residents/eligible participants to become gainfully employed.

Assisting Contractors to Achieve Section 3 Hiring and Contracting Goals

The City of Lock Haven will assist contractors with little or no experience in achieving Section 3 hiring and contracting goals by:

Requiring the contractor to present a list, to the Section 3 Compliance Officer, of the number of subcontracting and/or employment opportunities expected to be generated from the initial contract.

Leonora Hannagan, Section 3 Compliance Officer, will provide the contractor with a list of interested and qualified Section 3 residents for construction projects.

Leonora Hannagan, Section 3 Compliance Officer, will provide contractor with a list of Section 3 business concerns interested and qualified for construction projects.

Leonora Hannagan, Section 3 Compliance Officer, will inform contractor of known issues that might affect Section 3 residents from performing job related duties.

Leonora Hannagan, Section 3 Compliance Officer, will review the new hire clause with contractors and subcontractors to ensure that the requirement is understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to employ Section 3 program participants before any other person, when hiring additional employees needed to complete proposed work to be performed with HUD (federal) funds.

Preference for Contracting with Section 3 Business Concerns

- The City of Lock Haven, in compliance with Section 3 regulations, will require contractors and subcontractors (including professional service contractors) to direct their efforts towards contracts to Section 3 business concerns.

Contractors and subcontractors are expected to extend to the greatest extent feasible, efforts to achieve the numerical goals established by the City of Lock Haven.

- Contracts must document that qualified Section 3 Business Concerns that have been sought to fulfill subcontracts utilizing certification for business concerns seeking Section 3 preference in contracting and demonstration of capability, (See Exhibit 1).
- Contractor must submit Section 3 Contractor Solicitation and Commitment Statement with their bids (See Exhibit 5)

Evidence of Section 3 Certification

Any business seeking Section 3 preference in the awarding of contracts or purchase agreements with the City of Lock Haven shall complete the Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capability form, which can be obtained from Leonora Hannagan, the Section 3 Compliance Officer. The business seeking Section 3 preference must be able to provide adequate documentation as evidence of eligibility for preference under the Section 3 Program.

Certifications for Section 3 preference for business concerns must be submitted to the Section 3 Compliance Officer of the City of Lock Haven prior to the submission of bids for approval. If the Section 3 Compliance Officer previously approved the business concern to be Section 3 certified, then the certification can be submitted along with the bid.

Efforts to Award Contract Opportunities to Section 3 Business Concerns

The City of Lock Haven will use the following methods to notify and contract with Section 3 business concerns when contracting opportunities exist.

- Advertise contracting opportunities via newspaper, mailings, posting notices that

provide general information about the work to be contracted and where to obtain additional information.

- Provide written notice of contracting opportunities to all known Section 3 business concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to the bid invitation.
- Coordinate pre-bid meetings at which the Section 3 business concerns would be informed of upcoming contracting opportunities in advance.
- Conduct workshops on City of Lock Haven contracting procedures to include bonding, insurance, and other pertinent requirements, in a timely manner in an effort to allow Section 3 business concerns the opportunity to take advantage of any upcoming contracting opportunities.
- Contact the Clinton County Housing Authority, Clinton County Economic Partnership, STEP, Inc., state Minority and Women's Business Enterprise (MBE/WBE) contractor associations and community organizations to inform them of contracting opportunities and to request their assistance in identifying Section 3 businesses.
- Establish relationships with the Small Business Administration (SBA), Minority and Women's Business Enterprise MBE/WBE association, Community Development Corporations, and other sources as necessary to assist with educating and mentoring residents with a desire to start their own businesses.
- Seek out referral sources in order to ensure job readiness for public housing residents through on-the-job-training (OJT) and mentoring to obtain necessary skills that will transfer into the external labor market.
- Develop resources or seek out training to assist residents interested in starting their own businesses to learn to prepare contracts, prepare taxes, obtain licenses, bonding, and insurance.

Section 3 Residents Recruitment, Training, and Employment Goals

The City of Lock Haven will develop resources to provide training and employment opportunities to Section 3 program participants by implementing the following:

- Training opportunities will be advertised by distributing flyers via mass mailings and posting in common areas of the Section 3 covered community, public housing developments as well as all Clinton County Housing Authority housing management offices.
- Public housing resident councils, resident management corporations, as well as

neighborhood community organizations will be contacted to request their assistance in notifying residents of the available training and employment opportunities.

- Employment opportunities will be advertised by posting job vacancies in common areas of all of the Section 3 covered community, Clinton County Housing Authority facilities well as contacting resident councils, resident management corporations, and neighborhood community organizations.
- A database will be developed of certified Section 3's.
- A database will be developed to maintain a skill assessment of all Section 3 residents.
- A database will be developed of eligible qualified Section 3 Business concerns to contact with respect to the availability of contract opportunities.
- Relationships will be developed with local area employers in an effort to solicit job vacancies to determine skills needed in their workforce, thereby providing training to residents developing skills that will transfer into the external labor market.
- A provision for a specific number of Section 3 program participants to be trained or employed by the contractor will be incorporated into the contract.

Employment of Section 3 Program Participants

- The Section 3 Compliance Officer will hold a meeting with all residents prior to them being hired by a contractor.
- The meeting will assess job readiness (i.e., childcare, transportation, work maturity, job retention skills). Only residents meeting the minimum qualifications of the contractor or subcontractor will be referred to the job site. Residents not deemed job ready would be referred elsewhere. It is imperative that the resident's basic needs are met prior to employment.
- If a resident is referred to a contractor and does not perform satisfactorily due to poor work habits (i.e., tardiness, absenteeism, alcohol/drugs, abusive language, fighting, etc.) she/he will be allowed two additional opportunities to be referred to other contractors. If after that time the resident still does not perform satisfactorily, it will be mandatory that she/he attend and complete a job readiness class, alcohol/drug treatment center, or any other program that he or she may be required to attend. After successful completion the resident will be given the opportunity to be reinstated on the list of residents available for work.
- Residents experiencing problems with contractors should first communicate the problem to the employer. If the problem cannot be solved between the employee

and employer, the Section 3 Compliance Officer will meet with the parties involved to assist in trying to resolve the problem. Residents and employers (contractors or subcontractors) should document problems whenever they occur and record any and all efforts to correct them. The written documentation of the problem should be submitted to the Section 3 Compliance Officer.

- In order to qualify for employment with contractors, residents must be certified as Section 3 covered residents, be at least eighteen years of age.
- Residents not interested in construction employment opportunities will be assessed for other skills (clerical, administrative, etc.) and will have the opportunity to receive help with interviewing techniques, mock interviews, resume preparation, application assistance, employment leads, and how to dress for success when conducting a job search.
- Residents interested in pursuing General Equivalency Diploma (GED) and continued training education will be referred to those resources by the Section 3 Compliance Officer who will maintain bi-weekly contact with residents to monitor progress.

Contractor's Requirements in Employing Section 3 participants:

Under the City of Lock Haven's Section 3 Program, contractors and subcontractors are required to:

- Provide employment opportunities to Section 3 residents.
- After the award of contracts, the contractor must, prior to beginning work, inform Section 3 participants of the development at which the work will be performed, by providing the following:
 - Names of the Section 3 business concerns to be utilized,
 - Estimates of the number of employees to be utilized for contract,
 - Projected number of available positions, to include job descriptions and wage rates (construction wages consistent with Davis Bacon),
 - Efforts that will be utilized to seek Section 3 participants. (See Exhibit 2)
- Contractors must notify the Section 3 Compliance Officer of their interests regarding employment of Section 3 participants prior to hiring. The Section 3 Compliance Officer will ensure that the participant is Section 3 eligible, by assessing the Section 3 database to ensure job readiness. Additionally, the legal department will be contacted to ensure that the individuals are not involved in any legal proceedings against/with the City of Lock Haven.

- Submit a list of core employees (including administrative, clerical, planning and other positions pertinent to the construction trades) at the time of contract award.
- Document the performance of Section 3 participants (positive and negative), regarding punctuality, attendance, etc., and provide this information to Leonora Hannagan, Section 3 Compliance Officer.
- Immediately notify the Section 3 Compliance Officer of any problems experienced due to the employment of Section 3 participants.
- Immediately notify the Section 3 Compliance Officer if a participant quits, walks off, or is terminated for any reason. The contractor must provide written documentation of all such incidents to support such decisions to the Section 3 Compliance Officer to determine if an investigation is warranted.

Internal Section 3 Complaint Procedure

In an effort to resolve complaints generated due to non-compliance through an internal process, PA Department of Community and Economic Development encourages submittal of such complaints to its Section 3 Compliance Officer as follows:

- Complaints of non-compliance should be filed in writing and must contain the name of the complainant and brief description of the alleged violation of 24 CFR 135.
- Complaints must be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.
- An investigation will be conducted if complaint is found to be valid. The Section 3 Compliance Officer will conduct an informal, but thorough investigation affording all interested parties, if any, an opportunity to submit testimony and/or evidence pertinent to the complaint.
- The Section 3 Compliance Officer will provide written documentation detailing the findings of the investigation of the City of Lock Haven. The PA Department of Community and Economic Development will review the findings for accuracy and completeness before it is released to complainants. The findings will be made available no later than thirty (30) days after the filing of complaint.

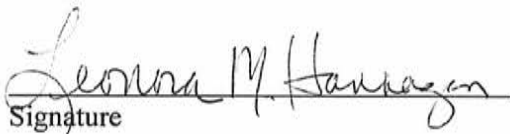
If complainants wish to have their concerns considered outside of the PA Department of Community and Economic Development a complaint may be filed with:

Philadelphia Regional Office of FHEO
U.S. Department of Housing and Urban Development
The Wanamaker Building
100 Penn Square East, 12th Floor
Philadelphia, Pennsylvania 19107-3380
(215) 861-7646
1-888-799-2085
TTY (215) 656-3450

The complaint must be received not later than 180 days from the date of the action or omission upon which the complaint is based.

Section 3 Action Plan Completed By: Leonora Hannagan, Section 3

Compliance Officer for the City of Lock Haven.


Signature

7-17-17
Date