

1. Coordinate with the City's workforce development bureau and other community organizations that provide workforce opportunities and training.
2. Provide to the Contractor all documents and responses from Section 3 applicants for the purpose of having the Contractor follow up and respond to such inquiries. Such follow-up must be documented with a contact log similar to **Attachment I** or by providing a list of follow-ups contacted via fax, mail or e-mail. Fax, mailing lists and/or e-mail distributions should contain the applicant's name, fax number, mailing address or e-mail address, and the date faxing, mailing or e-mailing occurred.

Section 3 Workforce and Business Enterprises – Effects of Noncompliance

The City is committed to working with the Contractor to meet the hiring and contracting requirements. **In this regard, the Contractor shall include the Section 3 Coordinator in all meetings related to complying with the hiring and subcontracting goals.** Failure to meet these goals or to assist in the documentation of the Contractor's best efforts to meet these goals, shall result in a penalty equal to ten percent (10%) of each subsequent progress payment application beyond any normal retention until the deficiency is corrected. Upon remediation of the deficiency, the penalty amount will be released to the Contractor. In the event that the Contractor fails to provide required documentation regarding both the thirty percent (30%) hiring and ten percent (10%) subcontracting goals, the maximum penalty that may be assessed is ten percent (10%) of each subsequent progress pay application.

Note: In the event a subcontractor fails to furnish the required documentation to the Contractor, the Contractor at its discretion shall withhold a penalty equal to ten percent (10%) of each payment application from that subcontractor. Upon remediation of the deficiency, the Contractor shall release the penalty amount to the subcontractor. The maximum penalty that may be assessed against a subcontractor is ten percent (10%) of each subsequent pay application.

24 CFR part 135
§ 135.38 Section 3 clause

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- 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 of 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 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

**HUD Section 3 Contract/Business Opportunity and Workforce
Development Compliance Personnel List**

	Contracting/ Business	Employment Opportunities
Contact	HUD Section 3 Coordinator	Sal Barajas Pacific Gateway Coordinator
Phone	(562) 570-6200	(562) 570-3651
Address	City Hall 411 W. Ocean Blvd, 6th floor Long Beach, CA 90802	Pacific Gateway Network 4811 Airport Plaza Dr, Suite120 Long Beach, CA 90815
Email	laborcompliance@longbeach.gov	Salvador.Barajas@pacific-gateway.org
Fax	(562) 570-5099	(562) 570-4551

**For additional outreach efforts, please refer to page 17 of the
Section 3 Attachments entitled 'HUD Appendix to Part 135
(Attachment N).**

I, the undersigned

(Officer or authorized agent of
company—Print Name)

Signature's Title

agree to adhere to the City of Long Beach Housing and Urban
Development (HUD) Section 3 Policy and Checklist as stated herein.

Signature

Date