

SECTION 3 & MBE/WBE/DBE 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 of 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 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.

A. MBE/WBE/DBE

(i) The Development Partner's selection policy and procedures shall foster the utilization of minority-owned businesses and women-owned businesses. A minority business enterprises ("MBEs") and women business enterprises ("WBEs") combined utilization goal of not less than twenty-five percent (25%) of the total contract value shall be required on all contracts.

(ii) The Development Partner shall comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementation regulations at 24 C.F.R. part 135 (the "Section 3 Plan"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance shall be, to the greatest extent feasible, directed to low and very low-income persons, particularly those who receive HUD assistance for housing.

(iii) The Development Partner shall formulate plans for MBEs and WBEs participation and Section 3 Hiring on terms approved by the Authority. The Hiring and Training Plans shall specify how affirmative action and resident hiring requirements shall be imposed, how the Authority's minority goals shall be met, and how all requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, shall be met, with respect to the Development in accordance with the Section 3 Plan and the Section 3 plans, programs and policies of the Authority. The Hiring and Training Plans shall be applicable to services rendered by the Development Partner, any Owner Entity and their respective contractors and subcontractors. The Development Partner shall implement or cause the Owner Entities to implement the Hiring and Training Plans, as approved by the Authority.

(iv) The Development Partner shall make affirmative outreach efforts to publicize training, employment and subcontracting opportunities. Notice shall be put in local newspapers and flyers shall be distributed as appropriate. Local unions, elected officials and training organizations shall also be notified. The Development Partner's efforts under the Section 3 Plan shall be documented monthly, and as evidenced by the execution of this Agreement, the Development Partner certifies that it is under no contractual or other impediment that would prevent compliance with 24 CFR Part 135.

B. **MBE and WBE Participation.** To achieve greater participation of MBEs and WBEs in contracts administered directly or indirectly by the Authority pursuant to Executive Orders 11625 and 12138, the Developer agrees to use its good faith best efforts to: (1) place qualified MBEs and WBEs and small business concerns on solicitation lists; (2) divide the Development Services into smaller tasks or quantities to permit maximum participation by MBEs and WBEs and small business concerns; (3) use the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, any local minority assistance organizations and various state and local government small business agencies; (4) comply with such additional requirements relating to MBEs, WBEs, and Section 3 as set forth in the hiring and training plans developed by the Owner Entity, and approved by the Authority (the "Hiring and Training Plans")

C. **MBEs/WBEs Report.** Each quarter, the Developer shall, and shall cause each Subcontractor to prepare and submit to the Owner Entity the Section 3, MBEs and WBEs report in the form prescribed by the Owner Entity.

D. **Section 3.** The Developer shall, and to the extent practicable shall require its Subcontractors to, ensure that employment opportunities shall be directed to: (1) the Authority's public housing residents, then (2) low income residents of Miami Dade County in accordance with the Hiring and Training Plans.

E. **Local Selection.** The Development Partner agrees to use best efforts, consistent with Applicable Public Housing Requirements and the selection policy and procedures set forth, as amended from time to time in the sole discretion of the Authority, to expend not less than twenty-five percent (25%) of all expenditures for goods and services relative to the construction and operation of the Development, with vendors and companies located in the Miami-Dade County area. All documentation to support this commitment and, determination that the commitment has been met, shall be subject to the final approval of the Authority.

Initials: _____