

Section 8

Civil Rights

Section 8 – Civil Rights

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Section 8 - Civil Rights

1.0 Introduction

This section presents summaries of the key regulations and requirements of civil rights, fair housing, equal opportunity, and equal employment opportunity laws applicable to the administration of the Louisiana Disaster Recovery CDBG funds.

The civil rights laws and related laws and regulations are designed to protect individuals from discrimination on the basis of:

1. Race
2. National Origin
3. Religion
4. Color
5. Sex
6. Age
7. Disability

As they apply to the Louisiana Disaster Recovery CDBG program, these laws protect individuals from discrimination in:

1. Housing
2. Benefits created by CDBG projects
3. Employment
4. Business Opportunities

Population groups specifically protected by provisions of these laws include:

1. Minorities (specifically - Blacks, Hispanics, Asians and Pacific Islanders, American Indians and Alaskan Natives)
2. Women
3. Groups distinguished by age
4. Persons with Disabilities
5. Family Status

The applicable laws and regulations provide for:

1. Nondiscrimination
2. Equal Opportunity
3. Affirmative Action (to reduce past discrimination)

2.0 Definitions, Acronyms or Terminology

Please reference these terms for explanation of commonly used names, acronyms, and phrases used within this section.

1. **Contractor** – An entity selected in accordance with the procurement requirements at 24 CFR 85.36. In accordance with 24 CFR 85.36(c), such procurement actions must be conducted in a manner that provides for free and open competition.
2. **New hires (as it relates to payrolls)** – Full-time employees for permanent, temporary or seasonal employment opportunities.
3. **Low-income person** – Persons or families whose total household incomes do not exceed 80 percent of the median income for the area.
4. **Very Low-Income Person** – Persons or families whose total household incomes do not exceed 50 percent of the median income for the area.
5. **Section 3 Resident** – A public housing resident or an individual who resides in the metropolitan area or Non-metropolitan County in which the Section 3 of the HUD Act of 1968 covered assistance is expended and who meets the definition of low-income or very low-income person.
6. **Section 3 Business Concern** – As related to Section 3 of the of the HUD Act of 1968, a business: That is 51 percent or more owned by Section 3 residents; or Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within 3 years of the date of first employment with the business were Section 3 residents; or That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in Nos. 1 or 2 above.
7. **Section 3 Covered Activity** - As related to Section 3 of the HUD Act of 1968. Any activity which is funded by Section 3 covered assistance.
8. **Section 3 Covered Assistance** - As related to Section 3 of the of the HUD Act of 1968, Assistance provided under any CDBG program that is expended for work arising in connection with housing rehabilitation, housing construction, or other public construction projects.
9. **Section 3 Covered Contract** - As related to Section 3 of the of the HUD Act of 1968, A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project. This does not include contracts for the purchase of materials and supplies unless the contract includes purchasing of materials and installation of these materials and supplies. For example: a contract for the purchase and installation of a furnace would be a Section 3 covered contract because the contract is for work (i.e. the installation of the furnace) and thus is covered by Section 3.
10. **Section 3 Covered Project** - The construction, reconstruction, conversion or rehabilitation of housing and other public construction assisted with CDBG funds as related to Section 3 of the of the HUD Act of 1968,.
11. **Service area** - The geographical area in which the persons benefiting from the Section 3 covered project reside.

3.0 Civil Rights Requirements - Laws and Statutes

Civil Rights laws applicable to Louisiana Disaster Recovery CDBG programs are set forth in the statutes and Executive Orders which follow:

Statute/Executive Order	Description
Title VI of the Civil Rights Act of 1964	No person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of: <ol style="list-style-type: none"> 1. Race, 2. Color, or 3. National Origin
Section 3 of the Housing and Urban Development Act of 1968, as amended	To the greatest extent feasible, employment and other economic opportunities, should be directed to: <ol style="list-style-type: none"> 1. Low and very low income persons, and 2. Business concerns which provide economic opportunities to low and very low income persons.
Title VIII of the Civil Rights Acts of 1968, as amended (Fair Housing Act)	Prohibits discrimination in housing on the basis of: <ol style="list-style-type: none"> 1. Race, 2. Color, 3. Religion, 4. Sex, or 5. National Origin. 6. Also requires HUD to administer its programs in a manner that affirmatively promotes fair housing
Section 504 of the Rehabilitation Act of 1973, as amended	No otherwise qualified individual shall, solely, by reason of his or her handicap, be: <ol style="list-style-type: none"> 1. Excluded from participation (including employment) 2. Denied program benefits 3. Subjected to discrimination
Section 109 of the Housing and Urban Development Act of 1974, as amended	Under any program or activity funded in whole or in part under Title I or Title II of the act (regardless of contract's dollar value), no person shall be excluded from participation (including employment), denied program benefits or subjected to discrimination on the basis of: <ol style="list-style-type: none"> 1. Race, 2. Color, 3. National Origin, or 4. Sex.
The Age Discrimination Act of 1975, as amended	No person shall be excluded from participation, denied program benefits or subjected to discrimination on the basis of age.
Executive Order 11063	No person shall, on the basis of race, color, religion, sex or national origin, be discriminated against in: <ol style="list-style-type: none"> 1. Housing (and related facilities) provided with federal assistance 2. Lending practices with respect to residential practices when such practices are connected with loans insured or guaranteed by the federal government.
Executive Order 11246, as amended	No person shall be discriminated against, on the basis of race, color, religion, sex or national origin in any phase of employment during the performance of federal or federally assisted construction contracts in the excess of \$10,000.
Equal Access to HUD-assisted or Insured Housing - § 5.105 (a)(2)(i-ii)	Requires equal access to housing in HUD programs, regardless of sexual orientation, gender identity, or marital status. (new regulation effective 3/5/2012)

4.0 Strategies and Procedures

This section presents strategies and procedures for complying with various civil rights, equal opportunity and affirmative action laws, regulations and requirements outlined above.

As a Disaster Recovery CDBG grant recipient, grantees must assure that all Disaster Recovery CDBG funded activities undertaken as part of a program are conducted in a manner which will not cause discrimination on the basis of race, creed, color, national origin, religion, sex, disability, or age.

The information that follows can be used in whole or in applicable part to assure conformity with the required civil rights laws and regulations and assist in affirmative action policies.

4.1 Nondiscrimination, Equal Opportunity and Affirmative Action in Employment

1. Maintain employment data that indicates staff composition by race, sex, disabled status and national origin.
2. Develop or review existing personnel policies to assure compliance with nondiscrimination and equal opportunity requirements.
3. Advertise as an equal opportunity employer.
4. Publish an annual statement of nondiscrimination and/or include such statement in any publicity on Disaster Recovery CDBG program.
5. Develop a network of information points that serve minority, elderly, women, disabled and ethnic groups, in addition to newspaper/public service channels.
6. Utilize information points throughout the community to advertise employment opportunities.
7. Develop or implement an Affirmative Action Plan.
8. Develop a Section 3 of the HUD Act of 1968 compliance plan.
9. Display Equal Opportunity posters prominently.
10. Take affirmative action to overcome the effect of past discrimination.

4.2 Nondiscrimination, Equal Employment Opportunity and Affirmative Action in Contracting

1. Advertise as an equal opportunity employer in bid solicitations.
2. Solicit bids from minority, women and locally owned businesses.
3. Maintain a list of locally owned businesses that were awarded contracts.
4. Require a Section 3 of the HUD Act of 1968 clause in all contracts.
5. Inform contractors of equal opportunity requirements at pre-construction conference or through other means of notification.
6. Require contractor to submit monthly utilization reports.
7. Monitor contractor compliance at work site.

4.3 Nondiscrimination, Equal Opportunity and Affirmative Action in Housing

1. Information concerning housing services and activities should be disseminated through agencies and organizations which routinely provide services to protected groups.

2. Contract documents used by grantees and lending institutions participating in local programs should be reviewed and revised if necessary to eliminate any discriminatory intent or practice.
3. Criteria for selecting recipients of housing assistance should be evaluated for any discriminatory effect.
4. Acceptable Fair Housing Activities.
5. Publicize that the recipient will assist persons experiencing discrimination in housing.
6. Development and adoption of a fair housing policy with identification of methods of enforcement.
7. Provision of housing counseling services which assist minorities and women seeking housing outside areas of concentration.
8. Work with local real estate brokers to formulate a Voluntary Area-wide Marketing Agreement.
9. Work with local banks to post "equal lending opportunity" advertisements.
10. Use "equal housing opportunity" slogan and logo on city letterhead.
11. Sponsor fair housing seminars and campaigns.
12. Work with minority and women leaders in the area to promote housing development and increase minority and female participation.
13. Assist local housing developers in developing outreach programs to attract minorities and females.
14. Review zoning ordinances and comprehensive plans to insure they promote special de-concentration of assisted housing units.
15. Create a local housing authority.
16. Publicly advertise the city as a "fair housing city."
17. Adopt a code enforcement ordinance which will compel landlords to keep their units in safe and sanitary condition.

4.4 Complaints

A complaint may not always refer to a violation of a particular civil rights law or laws. A complaint should be reviewed as a civil rights complaint when the complaint:

1. Indicates the belief that he or she has been denied opportunities, treated differently, etc.
2. States his or her race, ethnicity, gender, status as a handicapped person, or age.

Any person, or any specific class of persons, who believes that he or she has been subject to discrimination may file a complaint. A complaint may be filed by the complainant or a representative. A Section 3 of the HUD Act of 1968 Complaint Register is included as Exhibit 8-1. The form contains all of the necessary components of the complaint process. The information provided on this form is given voluntarily and provides the basis for HUD's investigation of the complaint to determine if the allegations of non-compliance are valid.

With the exception of complaints filed under Executive Order 11246, civil rights complaints must be referred directly to the Department of HUD, Office of Fair Housing and Equal Opportunity (FHEO) (1-800-669-9777). Section 3 of the HUD Act of 1968 complaints are required to be filed at the appropriate HUD FHEO Regional Office in which the violation

occurred within 180 days from the date of the action or omission upon which the complaint is based. Complaints filed under Executive Order 11246 must be referred to the regional Office of Contract Compliance Programs, Department of Labor. Confidentiality is mandatory. The name(s) of complainants and the name(s) of the respondent(s) must not be disclosed to any entity other than the Department of HUD. The OCD/DRU should, however, be notified that a compliant has been registered.

See also Section 2 – Administration, Subsection 5.0.

5.0 Developing and Implementing a Fair Housing Program

The Federal Fair Housing Law provides that “...no person shall be subjected to discrimination because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental, or advertising of dwellings, in the provision of brokerage services, or in the availability of residential real estate-related transactions including lenders, builders and homeowners insurance companies” (24 CFR 100.5).

As a recipient of Disaster Recovery funds, grantees must agree to administer all programs and activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act (42 U.S.C.3608(e)(5));(E.O.12259(1-202));(24 CFR 570.601). This basically takes the form of promoting and publicizing Fair Housing laws as explained below. Grantees must also agree to develop and maintain records of the efforts taken to assure fair housing.

In addition, each grantee must conduct at least one Fair Housing activity each year of the Cooperative Endeavor Agreement (CEA) period and maintain documentation of that activity that was or will be conducted. This documentation must be available when the OCD/DRU conducts its on-site monitoring. The documentation must identify the type of Fair Housing activity that was or will be conducted (community seminar, brochure distribution, etc.), the target audience (the general public, real estate brokers etc.), and the category of Fair Housing information provided. Exhibit 8-2 offers suggestions of activities which can be undertaken which will be determined to “further Fair Housing” and includes a sample Utility Bill Stuffer and a Fair Housing flyer. As a prerequisite for performing various Fair Housing activities, grantees need to be aware of the different possible infractions that constitute discriminatory conduct. A list of regulations that categorize and explain the different types of discriminatory conduct under federal law and provides contact information in the event a person feels they have been discriminated against is included in Exhibit 8-2.

6.0 Section 504

Compliance with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 754) requires that local grantees shall operate each program or activity receiving Federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with handicaps.

Section 504 provides that "No otherwise qualified individual with handicaps in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance". The local grantee is responsible for compliance with Section 504 by the developer in economic development programs.

6.1 Minimum Requirements for All Grantees

In order to comply with Section 504, the following actions must be initiated:

1. Each grantee shall submit an assurance to the OCD/DRU that the disaster Recovery CDBG Program will be operated in compliance with Section 504 requirements (24 CFR 8.50(a)). This assurance obligates the grantee for the period during which federal financial assistance is extended. This assurance must be submitted prior to receipt of the executed contract with the OCD/DRU. A sample 504 assurance is attached as Exhibit 8-3.
2. Each grantee shall have completed a self-evaluation of current policies and practices with respect to communications, employment, and program/physical accessibility to determine whether, in whole or in part, they do not or may not meet the requirements of being accessible to individuals with disabilities. The self evaluation will have been completed within six months of receipt of any grant award after July 1988.
3. The self evaluation shall designate all buildings and structures as "new" or "existing" depending on whether the building was constructed or altered after July 1988 (24 CFR 8.51(a)). The self evaluation shall determine whether buildings and structures that house programs and services for the public can be approached, entered, and used by persons with disabilities. At minimum the following items should be addressed in the self evaluation: Parking – Spaces, Curbs, Ramps, Routes and Pathways - Slopes, Levels, Ramps, Notices, Entrance Ways - Widths and Heights, Interiors - Door Grasp, Pressure, Pathways, Elevators, Service - Counter Heights, Notices, and Auxiliary Services - Telephones, Restrooms, Drinking Fountains.
4. Each grantee shall modify any policies and practices that do not meet the requirements for program accessibility (24 CFR 8.51). Because compliance with 504 does not necessarily require a recipient to make each of its existing facilities accessible to and usable by individuals with handicaps, or require a recipient to take any action that it can demonstrate would result in a fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens, a recipient may comply with the requirements of this section in its programs and activities receiving Federal financial assistance through such means as relocation of programs, assignment of aids to beneficiaries, home visits, or any other method that results in making its program or activity accessible to individuals with handicaps. A recipient is not required to make structural changes in existing facilities where other methods are effective in achieving compliance with this section (24 CFR 8.21(i)).
5. Each grantee must ensure that members of the population eligible to be served or likely to be affected directly by a federally assisted program who have visual or hearing impairments are provided with the information necessary to understand and participate in

the program. Methods for ensuring participation include, but are not limited to, qualified sign language and oral interpreters, readers, or the use of taped and Braille materials.

6. Each grantee must maintain data for the OCD/DRU showing the extent to which individuals with disabilities are beneficiaries of federally assisted programs.

6.2 Other Section 504 Requirements, as Applicable

If structural changes to non-housing facilities will be undertaken to achieve program accessibility (see notes below), a recipient shall develop a transition plan with the assistance of interested persons, including handicapped individuals or organizations representing handicapped individuals, for those areas which cannot be made accessible administratively (24 CFR 8.21 (4)). The construction activities identified in the transition plan must have been/ must be completed within three years of completion of the self evaluation that was done within six months of the first grant award made after July 1988 (24 CFR 8.21(c) 3 -see 2 above). The transition plan must be made available for public inspection, and, at a minimum, it shall:

1. Identify all physical obstacles that limit the accessibility of programs and activities to individuals with disabilities;
2. Describe in detail the method to be used in making the facility accessible;
3. Set forth a schedule for completion of the modifications. If the schedule exceeds one (1) year, then you must identify the actions to be taken during each year of the transition period;
4. Identify the individual responsible for implementation of the plan; and
5. Identify the persons or groups with whose assistance the plan was prepared.

NOTE: Unless the grant recipient has recently acquired a facility that was constructed prior to 1988, that will house programs and services available to the public, and intends to make physical alterations to this facility, the three year construction period for meeting the accessibility requirement for existing facilities under this regulation will have expired.

NOTE: New non-housing facilities (designed, constructed or altered after July 11, 1988) shall be designed and constructed to be readily accessible to and usable by individuals with handicaps (24 CFR 8.32).

If the grantee employs fifteen or more persons:

1. A responsible employee must be designated to coordinate the community's efforts to comply with Section 504;
2. The community must adopt grievance procedures that incorporate appropriate due process standards and that provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part. Such procedures need not be established with respect to complaints from applicants for employment or from applicants for admission to housing covered by this part.
3. The grantee shall publish a statement of compliance to notify participants, beneficiaries, applicants, and employees, including those with impaired vision or hearing, and unions or

professional organizations holding collective bargaining or professional agreements with the grantee that it does not discriminate on the basis of handicap in violation of this part. The notification shall state, where appropriate, that the grantee does not discriminate in admission or access to, or treatment or employment in, its federally assisted programs and activities. The notification shall also include an identification of the responsible employee designated above.

A grantee shall make the initial notification required by this paragraph within 90 days of receipt of the executed contract with the OCD/DRU. Methods of initial and continuing notification may include the posting of notices, publication in newspapers and magazines, placement of notices in recipients' publications, and distribution of memoranda or other written communications.

4. The grantee must maintain a file, make available for public inspection, and provide to the responsible civil rights official, upon request: (1) a list of the interested persons consulted; (2) a description of areas examined in the self-evaluation and any problems identified; and (3) a description of any modifications made and of any remedial steps taken.

In order to assist you with Section 504 compliance, a separate handbook was developed and is included as Exhibit 8-5.

The regulation requires that you must have available a TDD or equally effective method for communicating with hearing impaired persons. Louisiana has an approved relay service which may be utilized. In order to utilize the relay system, the grantee must have a policy indicating the use of the relay system by the grantee and publish the telephone numbers in the newspaper. The numbers are: TDD Users 1-800-846-5277, and Voice Users 1-800-947-5277. This service is free of charge. Recently the number “711” has been approved by the FCC for use in contacting the relay service. This number works from both TDD and voice telephones and while it is applicable in most states, you are still required to list the “800” numbers presented above.

If you have been the recipient of prior disaster Recovery CDBG funds and have a completed self-evaluation and if applicable, a transition plan, as mentioned above, the three year time period for completing the construction activities specified in a transition plan for most grantees has expired. For “existing” buildings and facilities that house programs and services for the public and are not accessible you must have adopted policies and/or modified practices to achieve accessibility. Prior grantees should prepare a summary of their past compliance activities. A sample summary of actions taken to achieve compliance with Section 504 can be found in Exhibit 8-4 of this manual. **Note: The “Summary of Actions to Achieve Compliance with Section 504” must contain three sections: physical accessibility, communications, and employment.** Also, you must re-submit the required assurance previously disclosed to OCD/DRU.

7.0 Meeting Section 3 of the HUD Act of 1968 Compliance

Section 3 compliance requirements are triggered when a recipient of Disaster Recovery CDBG assistance that invests \$200,000 or more into projects/activities involving housing construction, rehabilitation, or other public construction. If Section 3 of the HUD Act of 1968 is triggered for the grantee, then contractors/subcontractors whose contracts **exceed** \$100,000 must also comply. Sample Section 3 Certification Forms are located in Exhibit 8-6. **The Section 3 clause must be included in all Section 3 covered contracts.** See Section 6 – Procurement Methods and Contractual Requirements, Subsection 16.0 “Section 3 of the HUD Act of 1968 Covered Contracts Requirements” for explanation of this clause. This clause is a part of the CDBG Compliance Provisions for Construction Contracts within Exhibit 6-2i.

The standards and procedures contained herein are to ensure that the objectives of Section 3 of the HUD Act of 1968 are met.

7.1 Employment Requirements

The grantee may demonstrate compliance with Section 3 by committing to employ Section 3 residents as 30 percent of the aggregate number of new hires for the project, for a one year period.

Contractors/subcontractors may demonstrate compliance with Section 3 by committing to employ Section 3 residents as 30 percent of the aggregate number of new hires for the project, for a one year period.

This requirement extends ONLY to full-time jobs which may be permanent, temporary or seasonal and contracts which are a direct result of this project. It does include any hiring by the local government or contractor for employees hired to work on the project.

7.2 Employment Guidelines

The following examples can be used in an effort to ensure that the employment objectives of Section 3 are met. These examples of efforts which can be undertaken to assist in reaching Section 3 residents and businesses for employment opportunities should not be considered all inclusive.

1. Post advertisements of the employment opportunities, identifying the positions, qualification requirements, and where to obtain additional information about the application process, in housing developments and transitional housing in the neighborhood or service area of the Section 3 covered project.
2. Contact community organizations and resident organizations and request assistance in notifying residents of the employment positions to be filled.
3. Sponsor a job informational meeting in the service area of the project.
4. Arrange assistance in conducting job interviews and completing job applications for residents of the service area where the project is located.
5. Arrange for a location in the service area of the project where job applications may be collected by the grantee or contractor representative.

6. Consult with State and local agencies administering JTPA or JOBS, probation and parole agencies, unemployment compensation programs, etc., to assist with recruiting Section 3 residents for employment.
7. Advertise the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio.
8. Employ a job coordinator, or contract with a business concern that will undertake the efforts to match eligible and qualified Section 3 residents with the employment positions to be filled.
9. Where there are more qualified Section 3 residents than there are positions to be filled, maintain a file of eligible qualified Section 3 residents for future employment positions.
10. Undertake job counseling, education and related programs in association with local educational institutions.
11. After selection of bidders, but prior to execution of contracts, incorporate into the contract a negotiated provision for a specific number of Section 3 residents to be trained or employed on the Section 3 project.

7.3 Contracting Requirements

The grantee and contractor may demonstrate compliance with Section 3 by committing to award to Section 3 business concerns at least 10 percent of the total dollar amount of all Section 3 covered contracts for construction.

The grantee must also commit to award at least 3 percent of all other contracts to Section 3 business concerns; i.e., administration, engineering, etc.

A grantee or contractor/sub-contractor who has not met the goals set forth has the burden of demonstrating why it was not feasible to meet these goals. Documentation must be maintained as to the actions taken by each in order to attain the goals and any impediments encountered.

The following are examples of efforts which can be utilized in reaching the specified goals in employment and contracting (efforts must be documented):

7.3.1 Contracting Guidelines

The following examples can be used in an effort to ensure that the contracting objectives of Section 3 are met. These examples of efforts which can be undertaken to assist in reaching Section 3 residents and businesses for contracting opportunities should not be considered all inclusive. For additional information on contracting, see Section 6 - Procurement Methods and Contractual Requirements.

1. The use of small purchase procedures (contract may not exceed \$100,000) such as soliciting quotations from a minimum of 3 qualified sources. At the time of solicitation, inform the parties of the Section 3 covered contract to be awarded with sufficient specificity; the time within which quotations must be submitted; and the information that must be submitted. A valid attempt to obtain 3 quotes from qualified sources must be made and documented.

2. In determining the responsibility of potential contractors, consider their past records of Section 3 compliance and their current plans for the pending contract. See Exhibit 8-7 for a sample Section 3 Plan.
3. Utilize minority contractors associations and community organizations to assist in identifying Section 3 businesses who may be potential bidders.
4. Advertise contracting opportunities by posting notices concerning the work to be contracted in common areas of housing developments.
5. Providing written notice to all known Section 3 business concerns of the contracting opportunities.
6. Follow up with Section 3 business concerns that have expressed interest in the contracting opportunities by personal contact to provide additional information.
7. Coordinating pre-bid meetings at which Section 3 business concerns could be informed of the upcoming contracting opportunities.
8. Provide workshops on contracting procedures and specific contract opportunities in a timely manner so that Section 3 business concerns can take advantage of upcoming contracting opportunities.
9. Advising Section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.
10. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns.
11. Where appropriate, break out contract work items into economically feasible units to facilitate participation of Section 3 business concerns.
12. Contacting agencies administering HUD Youth build programs and notifying these agencies of the contracting opportunities.
13. Advertising the contracting opportunities through trade association papers, local media, such as television, newspapers and radio.
14. Developing a list of eligible Section 3 business concerns.
15. Establishing numerical goals (dollar amounts, and number of awards) for contracts to Section 3 business concerns.

7.4 Other Employment and Business Related Economic Opportunities

Other economic opportunities to train and employ Section 3 residents include, but need not be limited to, use of “upward mobility”, “bridge” and trainee positions to fill vacancies, and hiring Section 3 residents in part-time positions. A grantee or contractor may provide other economic opportunities to establish, stabilize, or expand Section 3 business concerns.

These “other” opportunities, if provided, may be viewed by HUD as a defense as to why it was not feasible to meet the numerical goals should a challenge be issued by a Section 3 resident or business concern that either the grantee or contractor is not following Section 3 requirements.

7.5 General Information

Section 3 does not require the creation of economic opportunities for anyone, nor does the extension of employment opportunities to Section 3 residents preclude the necessity for that individual to be qualified for the job.

Section 3 does not mandate certification or evidence of a person's Section 3 status; however, the grantee or the contractor, have the express right to request documentation which will support their claim to Section 3 preference. An example of evidence is the receipt of public assistance, or evidence of participation in a public assistance program, i.e., residency in a public housing development or evidence of a Section 8 certificate or voucher assistance, or participation in JTPA, AFDC, or JOBS, or receipt of welfare assistance. It does not have to be proof of income. Remember, low and moderate income is determined by total household income.

7.6 Section 3 Reporting

The grantee will have to report to the OCD/DRU information on Section 3 new hires and contracts awarded to Section 3 business concerns. This report will be due at the time of close-out and will be included in the Program Completion Report. See Section 2 – Administration, Subsection 7.0 for full reporting guidelines.

The following items are required to be reported to show Section 3 Compliance:

Employment and Training	Construction	Non-Construction
1. Job Category	1. Total Disaster Recovery CDBG dollar amount of all contracts awarded on the project	1. Total Disaster Recovery CDBG dollar amount of all non-construction contracts awarded on the project,
2. Number of new hires	2. Total Disaster Recovery CDBG dollar amount of contracts awarded to Section 3 businesses	2. Total Disaster Recovery CDBG dollar amount of non-construction contracts awarded to Section 3 businesses
3. Number of New Hires that are Section 3 Residents	3. Percentage of the total dollar amount that was awarded to Section 3 businesses	3. Percentage of the total dollar amount that was awarded to Section 3 businesses
4. Percentage of Aggregate number of staff hours of New Hires that are Section 3 Residents	4. Total number of Section 3 businesses receiving contracts.	4. Total number of Section 3 businesses receiving non-construction contracts.
5. Percentage of Total Staff Hours for Section 3 Employees and Trainees, Number of Section 3 Trainees.		

8.0 Record Keeping

All grantees are required to maintain equal opportunity records. The content of these records should include the following information:

1. Population Data: This includes population data by census tract or smaller geographic areas which includes prevailing population characteristics relating to race, ethnic groups, sex, age, head of household and handicapped.
2. Employment Data: (For communities with 10 or more employees) EEO form 4; Personnel Policies; Affirmative Action and/or Section 3 plans (if applicable); copies of

- any advertisements for employment; documentation of special efforts to identify, train, involve and/or hire minority and lower-income residents.
3. **Minority Business Participation:** Documentation of efforts to solicit minority and women-owned businesses and maintain data concerning the number and dollar amount of contracts awarded to minority businesses.
 4. **Section 3 Business Participation:** Documentation of efforts to solicit locally owned businesses; maintain data concerning the number and dollar amount of contract awarded to locally owned businesses.
 5. **Fair Housing:** Document efforts to affirmatively further fair housing; copy of fair housing policy.
 6. **Contractor Compliance:** Records of any monitoring trips to project site and any findings; copies of contractors' monthly utilization report.
 7. **Project Beneficiaries:** Record of applicants, and direct and indirect beneficiaries by race, color, sex, national origin, age and handicap.
 8. **Displacement and/or Relocation:** Data on race, head of household, age and income of persons affected.
 9. See Section 4: Records Management for full records management requirements.

9.0 Resources

Exhibit	Topic
Exhibit 8-1	HUD Complaint Register
Exhibit 8-2	Suggested Activities to Affirmatively Further Fair Housing
Exhibit 8-3	Sample Section 504 Assurance
Exhibit 8-4	Sample Summary of Actions Taken to Achieve Compliance with Section 504
Exhibit 8-5	OCD Section 504/ADA Technical Assistance Handbook
Exhibit 8-6	Certification of Bidder Regarding Section 3
Exhibit 8-7	Contractor or Subcontractor's Section 3 Plan, if Required (including Tables A & B)
Exhibit 8-8	Sample Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities