



2013 RIDGE AVE  
PHILADELPHIA, PA 19121  
215.684.4000  
PHA.PHLA.GOV

RFP Number:

**P-005394**

Date of Issuance: October 06, 2025

Proposal Due Date: 11:00 AM, October 27, 2025

**To Prospective Offerors:**

The Philadelphia Housing Authority (“PHA” or the “Authority”) is hereby requesting proposals for:

**Website Design Services**

The Philadelphia Housing Authority (PHA) was established in 1937 and is organized under the laws of the Commonwealth of Pennsylvania to develop, acquire, lease and operate affordable housing programs for low and moderate income residents of the City of Philadelphia. PHA is the fourth largest public housing authority in the United States and is the largest housing agency in the Commonwealth of Pennsylvania. PHA is one of 39 housing authorities across the nation that is designated Moving to Work (MTW). PHA provides homes to more than 29,800 residents under the Public Housing Program and over 45,000 authorized residents through the Housing Choice Voucher Program formerly known as Section 8. PHA maintains 65 developments, including 35 conventional sites, 16 tax credit sites, 12 alternatively managed entities, and 2 Project Based Voucher (PBV) sites spread across Philadelphia with over 9,300 units.

Requests for additional information should be directed to James Davis - Manager of Sourcing, Philadelphia Housing Authority, Sourcing Department, 2013 Ridge Avenue, Philadelphia, Pennsylvania 19121, e-mail; [james.davis@pha.phila.gov](mailto:james.davis@pha.phila.gov), Note that inquiries received later than seven (7) days before receipt of proposals may not receive a response.

Kelvin A. Jeremiah  
President & CEO

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## **A. INSTRUCTIONS TO OFFERORS**

### **1. Preparation of Offers**

- (a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.
- (b) Each offeror shall furnish the information required by the solicitation as indicated in the Statement of Work and "**Required Tab (in the Bonfire sourcing program)**" which is indicated in the software. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to PHA.
- (c) Offers for services other than those specified will not be considered.
- (d) If this solicitation requires proposing on all items, failure to do so will result in the proposal being rejected. If proposing on all items is not required, proposers should insert the words "NO PROPOSAL" in the space provided for any item for which no price is submitted.

### **2. Amendments to Solicitations**

- (a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.
- (b) Offerors shall acknowledge receipt of any amendments to this solicitation by (1) signing and returning the amendment; (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer. PHA must receive the acknowledgement by the time specified for receipt of offers.

### **3. Explanation to Prospective Offerors**

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc. must request in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the Contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

#### **4. Responsibility of Prospective Contractor**

- (a) PHA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -
  - (i) Have adequate financial resources to perform the Contract, or the ability to obtain them;
  - (ii) Have a satisfactory performance record;
  - (iii) Have a satisfactory record of integrity and business ethics;
  - (iv) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
  - (v) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the PHA/HUD.
- (b) Before an offer is considered for award, the offeror may be requested by PHA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

#### **5. Late Submissions, Modifications, and Withdrawal of Offers**

- (a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -
  - (i) Was not submitted electronically in Bonfire as of the close date and time.
  - (ii) Was sent by mail, or if authorized by the solicitation, and it is determined by the PHA that the late receipt was due solely to mishandling by PHA after receipt at PHA;
- (b) Any modification of an offer, except a modification resulting from PHA's request for "best and final" offer, is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.
- (c) A modification resulting from PHA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by PHA after receipt at PHA.

- (d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.
- (e) The only acceptable evidence to establish the time of receipt at PHA is the time/date stamp of PHA on the offer wrapper or other documentary evidence of receipt maintained by PHA.
- (f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.
- (g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to PHA will be considered at any time it is received and may be accepted.
- (h) Proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by an offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award.

## **6. Contract Award**

- (a) PHA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to PHA, cost or price and other factors, specified elsewhere in this solicitation, considered.
- (b) PHA may (1) reject any or all offers if such action is in PHA's interest, (2) accept other than the lowest offer, (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

- (c) PHA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.
- (d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. Before the offer's specified expiration time, PHA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by PHA.
- (e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## **7. Service of Protest**

- (a) Any protest against the award of a contract pursuant to this solicitation shall be served on PHA by obtaining written and dated acknowledgement of receipt from PHA at PHA Contracts Department, 2013 Ridge Avenue -4<sup>th</sup>, Philadelphia, PA 19121. The determination of PHA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protester.
- (b) An actual or prospective offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Protests based on the contents of the solicitation must be submitted prior to the date and time for receipt of proposals. Protests based on contract award must be made within seven days after the protestor knows or should have known the facts giving rise to the protest.
- (c) All protests shall be resolved in accordance with PHA's protest policy and procedures, copies of which are maintained at PHA.

## **8. Offer Submission**

- (a) Offers and modifications thereof shall be submitted electronically in Bonfire, ~~or in sealed envelopes or packages (1) addressed to PHA Contracts Department, 2013 Ridge Avenue -4<sup>th</sup> floor, Philadelphia, PA 19121, and (2) showing (on the face of the envelope) the time specified for receipt, the solicitation number, and the name and address of the offeror. One original hard copy, one (1) hardcopy, and one electronic copy of the Offer and modifications, including the required proposal forms, shall be submitted (on one or more flashdrives) in Microsoft Excel, Microsoft Word, and/or Portable Document Format (PDF) formats.~~
- (b) ~~Telegraphic, e-mail, or facsimile offers, modifications, or withdrawals will not be considered unless authorized by the solicitation.~~

(e) ~~It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.~~

**9. Pre-Proposal Conference: N/A**

**B. SERVICE CONTRACT**  
**FOR THE PROVISION OF**

**PART I – AGREEMENT**

THIS AGREEMENT, made and entered into as of \_\_\_\_\_, 20\_\_\_\_\_, by and between the PHILADELPHIA HOUSING AUTHORITY (“PHA”), a body corporate and politic created under the laws of the Commonwealth of Pennsylvania, whose address is 2013 Ridge Avenue, Philadelphia, Pennsylvania 19121 and \_\_\_\_\_ (“Contractor”), a \_\_\_\_\_, organized and existing under the laws of \_\_\_\_\_, whose address is \_\_\_\_\_.

WITNESSETH:

WHEREAS, PHA desires to retain the services of Contractor and Contractor desires to provide such services to PHA; and

WHEREAS, by Resolution No. \_\_\_\_\_, adopted on \_\_\_\_\_ the Executive Director is authorized to conclude and execute a contract.

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

**1. SERVICE TO BE PERFORMED.**

- (a) Contractor agrees to perform the services described in the Solicitation No. \_\_\_\_\_, known as \_\_\_\_\_ and Contractor’s proposal, both made part of this Agreement.
- (b) This Contract shall be for an initial contract period of \_\_\_\_\_ year(s) with an additional \_\_\_\_\_ year(s) option periods, to be exercised solely at the discretion of PHA. The initial contract period will commence on \_\_\_\_\_, 20\_\_\_\_\_, and will continue until \_\_\_\_\_, 20\_\_\_\_\_, unless work is completed or terminated pursuant to this Contract.

**2. COMPENSATION.**

PHA will pay Contractor at the rate of \$ \_\_\_\_\_, with total payment not to exceed \$ \_\_\_\_\_ for the initial contract period of \_\_\_\_\_ year(s), \$ \_\_\_\_\_ if PHA exercises the first \_\_\_\_\_ year(s) option period, \$ \_\_\_\_\_ if PHA exercises the second \_\_\_\_\_ year(s) option period, and \$ \_\_\_\_\_ if PHA exercises the third \_\_\_\_\_ year(s) option period. Such payment will be made monthly and upon receipt and approval of an itemized invoice, as set forth in Section 2 of the PHA General Terms and Conditions of this Agreement, including but not limited to the use of Electronic Funds transfer through the Automated Clearing House, at the option of PHA. .

### **3. COMPLIANCE WITH APPLICABLE STATUTES, ORDINANCES AND REGULATIONS**

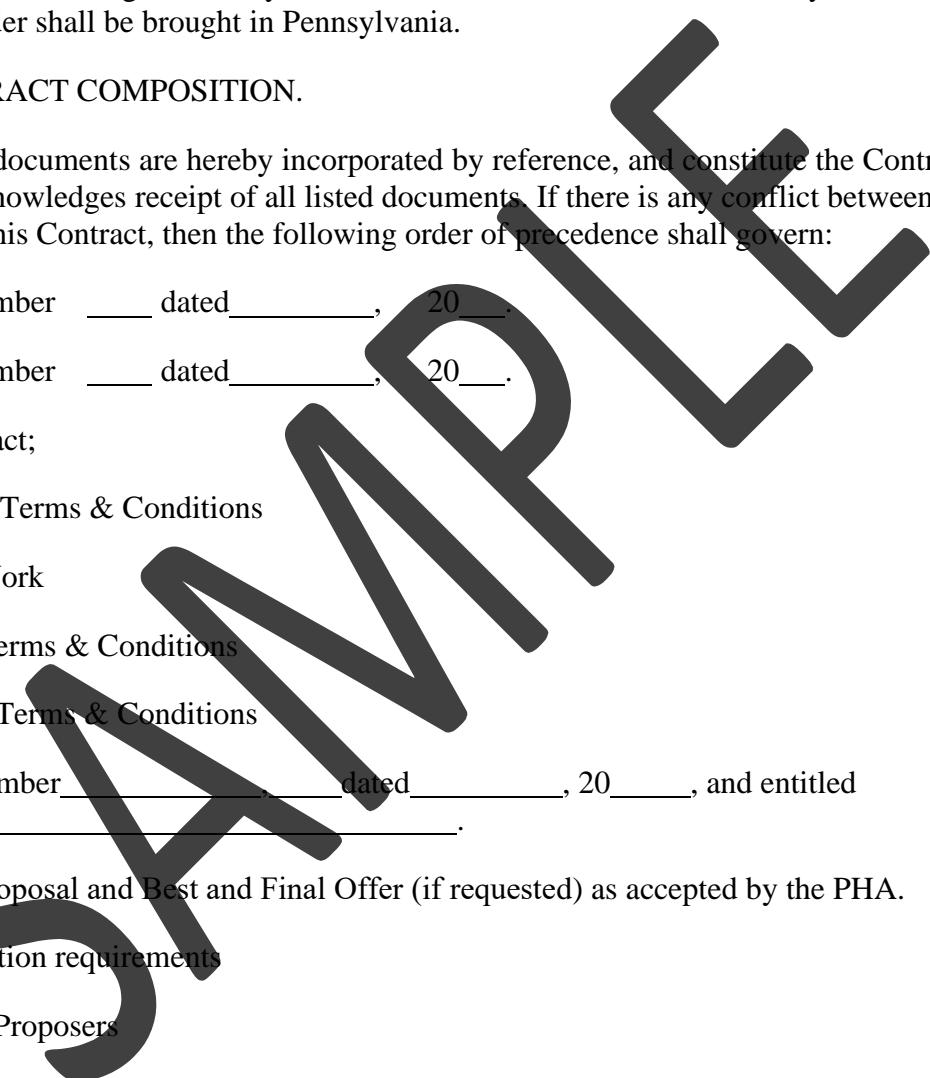
Contractor shall comply with all applicable Federal, State, county and city statutes, ordinances and regulations, including those pertaining to wages, hours and conditions of employment.

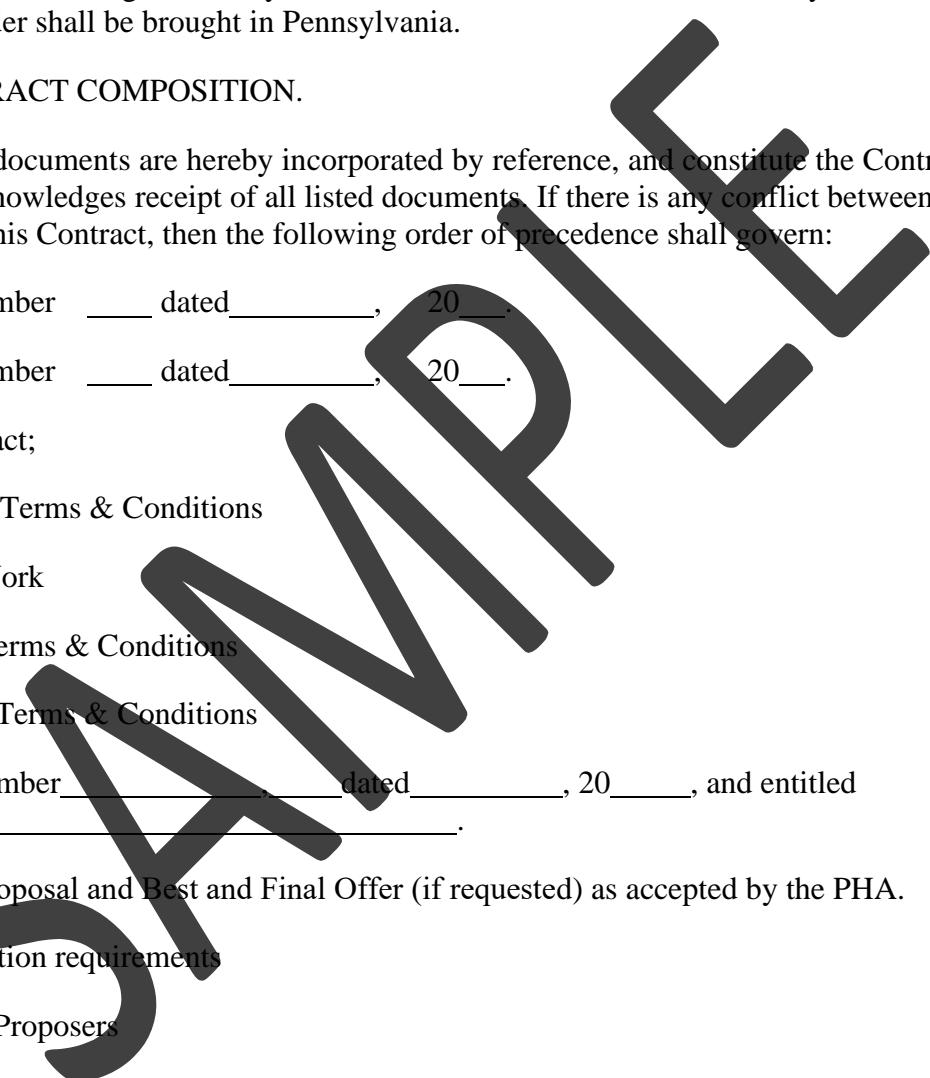
### **4. GOVERNING LAW.**

This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, and all actions hereunder shall be brought in Pennsylvania.

### **5. CONTRACT COMPOSITION.**

The following documents are hereby incorporated by reference, and constitute the Contract. Contractor acknowledges receipt of all listed documents. If there is any conflict between the documents of this Contract, then the following order of precedence shall govern:

Addendum Number \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_\_.  


Addendum Number \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_\_.  


Services Contract;

HUD Standard Terms & Conditions

Statement of Work

PHA Special Terms & Conditions

PHA Standard Terms & Conditions

Solicitation Number \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_\_, and entitled  
\_\_\_\_\_.

Contractor's proposal and Best and Final Offer (if requested) as accepted by the PHA.

Affirmative Action requirements

Instructions to Proposers

Representations, Certifications, and other statements to Proposers

**6. PRIOR AGREEMENT SUPERSEDED.**

This Agreement constitutes the sole Agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed as of the date first above written.

CONTRACTOR

WITNESS:

BY: \_\_\_\_\_  
Name: \_\_\_\_\_

(AUTHORIZED REPRESENTATIVE)

PHILADELPHIA HOUSING AUTHORITY

BY: \_\_\_\_\_  
Name: \_\_\_\_\_

CONTRACTING OFFICER

SAMPLE

**PHILADELPHIA HOUSING AUTHORITY  
CONTRACTS AND PROCUREMENT DEPARTMENT**  
 Past Performance Survey  
 Solicitation P-005394  
 Website Design Services

**CLIENT INFORMATION**

Commercial Client       Government Client

**Client Name:** \_\_\_\_\_

**Client Address:** \_\_\_\_\_

**City**

**State**

**Zip Code**

**Project Name:** \_\_\_\_\_ **Total Project Value:** \_\_\_\_\_

**Performance Period:****Teaming Partner(s):****Government or Commercial Project Manager Contact**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone number: \_\_\_\_\_

Fax number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Alternate Government or Commercial Project Manager Contact**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone number: \_\_\_\_\_

Fax number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

**SPECIFIC PERFORMANCE**

**Instructions:** This part consists of open-ended questions to determine the scope, complexity, and relevance of the project to the current requirement. Please answer the questions concisely and to the best of your knowledge.

1. Describe the overall project type the contractor provided.
2. Describe the end goal/end product and result.
3. Describe the long-term program development involved in performing this task.
4. Describe the level of planning and staffing contractor was required to perform and if they met the contracts exceptions.
5. Describe the average timeline involved in completing this project and if contractor met that timeline within reason.

## **PAST PERFORMANCE RATINGS**

Please answer each of the following questions with a rating that is based on objective measurable performance indicators to the maximum extent possible. Comments to support ratings may be noted on last page. The Government will assess an overall past performance rating for each reference contacted. The overall ratings of each reference will then be combined to arrive at a final past performance rating that will be assigned points based upon the following rating scheme:

### **RATINGS ARE DEFINED AS FOLLOWS:**

<b>Definition</b>	<b>Description</b>
<b>Excellent</b>	The Contractor demonstrates an excellent performance level in all categories. There have been no performance problems and the Contractor has demonstrated initiative to enhance/exceed contractual requirements and objectives. The Contractor also has maintained an excellent Contractor/Government relationship throughout contract performance
<b>Good</b>	There are no quality of service problems; no cost/price issues; and no delays. Responses to inquiries and technical/service administrative issues are consistently effective and responsive. Non-conformance does not impact achievement of contract requirements.
<b>Acceptable</b>	Non-conformances are minor and have little impact in achievement of contract requirements, requires minor intervention by Government personnel to resolve issues.
<b>Marginal</b>	Non-conformances are impacting achievement of contract requirements, requires substantial intervention by Government personnel to resolve issues.
<b>Unacceptable</b>	Non-conformances are compromising the achievement of contract requirements, despite substantive intervention by Government personnel.

**PART 1: GENERAL PERFORMANCE**

**INSTRUCTIONS: PLEASE CHECK THE APPROPRIATE RATING**

<b>Quality of Service</b>	<b>Excellent</b>	<b>Good</b>	<b>Acceptable</b>	<b>Marginal</b>	<b>Unacceptable</b>	<b>N/A</b>
1. Compliance with contract requirements	<input type="checkbox"/>					
2. Accuracy of Reports	<input type="checkbox"/>					
3. Effectiveness of Personnel	<input type="checkbox"/>					
4. Technical Excellence	<input type="checkbox"/>					
5. Record of conforming to specifications and standards of good workmanship	<input type="checkbox"/>					
6. Ability to provide services nationwide, including small and rural communities	<input type="checkbox"/>					

<b>Cost Control</b>	<b>Excellent</b>	<b>Good</b>	<b>Acceptable</b>	<b>Marginal</b>	<b>Unacceptable</b>	<b>N/A</b>
1. Record of forecasting and controlling target costs	<input type="checkbox"/>					
2. Current, accurate, and complete billings	<input type="checkbox"/>					
3. Relationship of negotiated costs to actual	<input type="checkbox"/>					
4. Cost efficiencies	<input type="checkbox"/>					

<b>Timeliness of Performance</b>	<b>Excellent</b>	<b>Good</b>	<b>Acceptable</b>	<b>Marginal</b>	<b>Unacceptable</b>	<b>N/A</b>
1. Met interim milestones	<input type="checkbox"/>					
2. Reliability	<input type="checkbox"/>					
3. Responsive to technical direction	<input type="checkbox"/>					
4. Completed on time including wrap up	<input type="checkbox"/>					
5. Met delivery schedules	<input type="checkbox"/>					
6. Amount of Liquidated Damages (Excellent=Low or None, Unacceptable= High)	<input type="checkbox"/>					
<b>Business Relations</b>	<b>Excellent</b>	<b>Good</b>	<b>Acceptable</b>	<b>Marginal</b>	<b>Unacceptable</b>	<b>N/A</b>
1. Effective Management, including subcontracts	<input type="checkbox"/>					

SOURCE SELECTION SENSITIVE  
NOT FOR PUBLIC DISCLOSURE

<b>2.</b> Reasonable/cooperative behavior	<input type="checkbox"/>					
<b>3.</b> Responsive to contract requirements	<input type="checkbox"/>					
<b>4.</b> Notification of problems	<input type="checkbox"/>					
<b>5.</b> Flexibility	<input type="checkbox"/>					
<b>6.</b> Pro-active vs. Reactive	<input type="checkbox"/>					
<b>7.</b> Effective small/small disadvantage business subcontracting program	<input type="checkbox"/>					
<b>8.</b> History of staff turnover	<input type="checkbox"/>					

<b>Customer Satisfaction</b>	<b>Excellent</b>	<b>Good</b>	<b>Acceptable</b>	<b>Marginal</b>	<b>Unacceptable</b>	<b>N/A</b>
<b>1.</b> Commitment to customer satisfaction	<input type="checkbox"/>					
<b>2.</b> Would you recommend selection of this firm again?	<input type="checkbox"/>					
<b>3.</b> Overall Rating of Contractor	<input type="checkbox"/>					

**ADDITIONAL COMMENTS:**

Name and Signature of Reference

Date

# Scope of Work

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## Summary

This project involves the redesign, development, hosting and maintenance of **Philadelphia Housing Authority (PHA) and subsidiaries** web sites as needed. This project will follow the scope outlined below and does not include ongoing maintenance of the site outside of what may be stated in the scope. The redesigned website should:

- Promote PHA's image among clients, tenants, contractors, vendors, etc.
- Convey message about PHA, PHA subsidiaries and its current events
- Organize information and content that is easily searchable and navigate
- Enable ease of use and easier to maintain

## Project Scope

This SOW covers the following activities and deliverables.

- Discovery: Designer will analyze the current website, conduct stakeholder interviews and perform requirement analysis. This activity is to determine the business needs for the redesign of the PHA's website.
- Analysis: Designer will identify and propose features that are compelling to the target audience based upon demographic and industry analysis.
- Theme Design and Development: The theme presented with the proposal will be the basis for the design of the website. There will be a period of revisions and development will start once you have signed off on the design. Once development has started, only minor changes can be made without affecting the scope of the project.
- Cloud Hosting: Designer will procure computing resources from a Cloud Hosing Provider and set up hosting for the requested domain. Maintenance of the account will fall to PHA at the conclusion of the project.
- Wordpress Installation and Setup: Designer will install and set up the CMS on the domain mentioned above so that PHA's communication team is able to maintain the site.
- Content Entry: Designer will enter the initial content provided by PHA. This will include text and pictures for each page to be created with the initial setup as well as converting existing event data.

- Mobile Responsiveness Improvements: Designer also test to make sure that the site responds to and does not break when viewed on mobile devices (iPad, Microsoft Surface Pro, iPhone, Android devices, etc.)
- Version Control: Designer will provide version control to enable PHA to revert any changes done on the website.
- Browser Testing: Designer will test the newly designed website to make sure it works with modern desktop web browsers (Internet Explorer 10+, Edge Version 40+, latest version of Safari for Mac, Google Chrome version 10+, Firefox Version 4+).
- Training: Designer will train PHA's team on how to use the system and build/supply training systems.
- Review existing Philly Seeds website (PhillySeeds.org), PHA Affiliate, and port to the same platform including Cloud Hosting as the PHA Website.

## Deliverables

- Administrative account and login information
- Communication team user account and login information
- Website deployed on requested domain
- A backup copy of the files associated with the site
- A reference document outlining how to make updates to the site along with a link to online resources.

# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability.** This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts (without maintenance) greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II;** and
- 3) **Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.**

### Section I - Clauses for All Non-Construction Contracts greater than \$100,000

#### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

#### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- (d) proposal submitted before final payment of the contract.
- (e) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (f) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

#### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
  - (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

## 5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

## 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

## 7. Disputes

- (a) All disputes arising under or relating to this contract, *except for disputes arising under clauses contained in Section III, Labor Standards Provisions*, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

## 8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

## 9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

## 10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

## 11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

## 12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

- product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.
- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

#### (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

#### (b) Prohibition

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (ii) The prohibition does not apply as follows:

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- (1) Agency and legislative liaison by Own Employees.
- (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.
- (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
- (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
- (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
- (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
- (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
- (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
- (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
- (ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
- (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

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## **16. Equal Employment Opportunity**

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall 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 to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## **17. Dissemination or Disclosure of Information**

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## **18. Contractor's Status**

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## **19. Other Contractors**

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## **20. Liens**

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## **21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)**

- (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

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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.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

## E. TERMS & CONDITIONS

### SECTION II. PHA STANDARD TERMS & CONDITIONS

#### 1. Minimum Acceptance Period

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- a. "Acceptance period," as used in this provision, means the number of calendar days available to PHA for awarding a contract from the date specified in this solicitation for receipt of proposals.
- b. PHA requires a minimum acceptance period of 90 calendar days. If the award is delayed by a required approval of another governing agency, then the acceptance period shall be 120 days.
- c. A proposal allowing less than the PHA's minimum acceptance period will be rejected.

#### 2. Billing and Payment

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- a. The Contractor shall submit invoices to the PHA as provided pursuant to the terms of this Contract. Invoices must show the type of service performed and the amount charged to the Contract during the billing period. PHA's billing address is:

Philadelphia Housing Authority  
Attn: Contract Administration  
P.O. Box 8737  
Philadelphia, PA 19104-9742

- b. PHA shall exert its best efforts to pay the Contractor within forty-five (45) days of receipt of an accurate/uncontested invoice, given fulfillment of deliverable(s), and if Contractor is in compliance with all Contract terms and conditions. PHA reserves the right to withhold payment for performance deficiencies.
- c. No interest shall be payable to the Contractor from PHA for delayed progress or final payment.

#### 3. PHA Option for Payment by Electronic Funds Transfer

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- a. At PHA's option:

- i. All payments by PHA under this Contract shall be made by electronic funds transfer (EFT) except as provided in paragraph (a)(ii) of this clause. As used in this clause, the term EFT refers to the funds transfer and may also include the payment information transfer.
- ii. In the event PHA is unable to release one or more payments by EFT, the Contractor agrees to either (1) Accept payment by check or some other mutually agreeable method of payment; or (2) Request PHA to extend payment due dates until such time as PHA makes payment by EFT (but see paragraph (d) of this clause).

- b. Mandatory submission of Contractor's EFT information.

- i. The Contractor is required to provide PHA with the information required to make payment by EFT (see paragraph (j) of this clause). The Contractor shall provide this information directly to the office designated in this Contract to receive that information (hereafter: designated office) within 10 days after award of the Contract. If not otherwise specified in this Contract, the payment office is the designated office for receipt of the Contractor's EFT information. If more than one designated office is named for the Contract, the Contractor shall provide a separate notice to each office. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the designated office(s).

- ii. If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to the designated office.

However, EFT information supplied to a designated office shall be applicable only to contracts that identify that designated office as the office to receive EFT information for that contract.
- c. Mechanisms for EFT payment. PHA may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.
- d. Suspension of payment.
  - i. PHA is not required to make any payment under this Contract until after receipt, by the designated office, of the correct EFT payment information from the Contractor. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this Contract. The prompt payment terms of the Contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.
  - ii. If the EFT information changes after submission of correct EFT information, PHA shall begin using the changed EFT information no later than 30 days after its receipt by the designated office to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the updated EFT information is implemented by the payment office. If such suspension would result in a late payment under the prompt payment terms of this Contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.
- e. Liability for uncompleted or erroneous transfers.
  - i. If an uncompleted or erroneous transfer occurs because PHA used the Contractor's EFT information incorrectly, PHA remains responsible for (1) Making a correct payment; (2) Paying any prompt payment penalty due; and (3) Recovering any erroneously directed funds.
  - ii. If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and (1) If the funds are no longer under the control of the payment office, PHA is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or (2) If the funds remain under the control of the payment office, PHA shall not make payment and the provisions of paragraph (d) shall apply.
- f. EFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this Contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.
- g. EFT and assignment of claims. If the Contractor assigns the proceeds of this Contract as provided for in the assignment of claims terms of this Contract, the Contractor shall require as a condition of any such assignment, that the assignee shall provide the EFT information required by paragraph (j) of this clause to the designated office, and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to PHA, is incorrect EFT information within the meaning of paragraph (d) of this clause.
- h. Liability for change of EFT information by financial agent. PHA is not liable for errors resulting from changes to EFT information provided by the Contractor's financial agent.

- i. Payment information. The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. PHA may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, PHA does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to PHA. If PHA makes payment by check in accordance with paragraph (a) of this clause, PHA shall mail the payment information to the remittance address in the Contract.
- j. EFT information. The Contractor shall provide the following information to the designated office. The Contractor may supply this data for this or multiple contracts (see paragraph (b) of this clause). The Contractor shall designate a single financial agent per contract capable of receiving and processing the EFT information using the EFT methods described in paragraph (c) of this clause.
  - i. The contract number (or other procurement identification number).
  - ii. The Contractor's name and remittance address, as stated in the Contract(s).
  - iii. The signature (manual or electronic, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.
  - iv. The name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.
  - v. The Contractor's account number and the type of account (checking, saving, or lockbox).
  - vi. If applicable, the Fedwire Transfer System telegraphic abbreviation of the Contractor's financial agent.
  - vii. If applicable, the Contractor shall also provide the name, address, telegraphic abbreviation, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment if the Contractor's financial agent is not directly on-line to the Fedwire Transfer System; and, therefore, not the receiver of the wire transfer payment.

#### **4. Notices**

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- a. Any notice to or demand upon the Contractor shall be considered given if delivered at the office of the Contractor as stated on the signature page of the Contract or at such place or other address as he may designate, in writing, to the Authority.
- b. All papers required to be delivered to PHA, unless otherwise specified in writing to the Contractor, shall be sent to:

Attn: Contracting Officer  
Philadelphia Housing Authority  
2013 Ridge Avenue  
Philadelphia, PA 19121

- c. All Contractor notices, demands, requests, instructions, approvals, claims, etc., must be made in writing to PHA. No oral communications will be considered binding under the terms of this Contract.

#### **5. Option to Extend Term of Contract**

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PHA may extend the term of this Contract through exercise of option year(s), if any, by written notice to the Contractor.

## **6. Option to Extend Services**

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PHA may require continued performance of any services within the limits and at the rates specified in the Contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. This option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within ten (10) days prior to the expiration of the Contract.

## **7. Contract Modifications**

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- a. Only the Contracting Officer has authority to modify any term or condition of this Contract. Any contract modification shall be authorized in writing.
- b. PHA may modify the Contract unilaterally (1) pursuant to a specific authorization stated in a Contract clause; or (2) for administrative matters which do not change the rights or responsibilities of the parties. All other Contract modifications shall be in the form of supplemental agreements signed by the Contractor and the Contracting Officer.

## **8. Hold Harmless**

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The Contractor shall hold PHA harmless from and indemnify PHA against any and all claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents pursuant to the Contract and shall, at the request of PHA, defend any and all actions brought against PHA based upon any such claims or demands.

## **9. Suspension of Work**

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- a. The Contracting Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this Contract for the period of time that the Contracting Officer determines appropriate for the convenience of PHA.
- b. If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contracting Officer in the administration of this Contract, or (2) by the Contracting Officer's failure to act within the time specified in this Contract (or within a reasonable time if not specified), an adjustment shall be made for any increase in the cost of performance of this Contract (excluding profit) necessarily caused by the unreasonable suspension, delay, or interruption, and the Contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor, or for which an equitable adjustment is provided for or excluded under any other term or condition of this Contract.
- c. A claim under this clause shall not be allowed (1) for any costs incurred more than 20 days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order), and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the Contract.

## **10. Default**

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If the Contractor refuses or fails to prosecute the work, or any separable part thereof, with the diligence that will insure its completion within the time specified in this Contract, or any extension thereof, or fails to complete said work within this time, the Contracting Officer may, by written notice to the Contractor, terminate the right to proceed with the work (or separable part of the work) that has been delayed. In this event, PHA may take over the work and complete it, by contract or otherwise, and may take possession of and use any materials, equipment, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to PHA resulting from the Contractor's refusal or failure to complete the work.

within the specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the PHA in completing the work.

## **11. Contractor Claims**

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In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written claim with the Contracting Officer for a determination. The claim shall state all grounds upon which the Contractor asserts a controversy exists. If the Contractor fails to file a claim or files an untimely claim, the Contractor is deemed to have waived its right to assert a claim in any forum. The Contracting Officer shall review timely-filed claims and issue a determination in accordance with the "Disputes" clause in Terms and Conditions, Section I, Article 7.

## **12. Contractor Integrity**

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### a. Definitions

- i. Confidential Information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with PHA.
  - ii. Consent means written permission signed by a duly authorized officer or employee of PHA, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, PHA shall be deemed to have consented by virtue of execution of this agreement.
  - iii. Contractor means the individual or entity that has entered into this agreement with PHA, including directors, officers, partners, managers, key employees, and owners of more than a five percent interest.
  - iv. Financial Interest means: (1) ownership of more than a five percent interest in any business; or (2) holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
  - v. Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.
- b. The Contractor shall maintain the highest standards of integrity in the performance of this agreement and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with PHA.
  - c. The Contractor shall not disclose to others any confidential information gained by virtue of this agreement.
  - d. The Contractor shall not, in connection with this or any other agreement with PHA, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of PHA.
  - e. The Contractor shall not, in connection with this or any other agreement with PHA, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of PHA.
  - f. Except with the consent of PHA, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under this agreement except as provided therein.
  - g. Except with the consent of PHA, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
  - h. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify PHA in writing.

- i. The Contractor, by execution of this agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that he or she has not violated any of these provisions.
- j. The Contractor, upon the inquiry or request of PHA, HUD, the Inspector General of the Commonwealth or any agents or representatives of PHA, HUD or the Inspector General of the Commonwealth, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by PHA, HUD or the Inspector General of the Commonwealth to the Contractor's integrity or responsibility, as those terms are defined by federal and state statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents or files of any type or form which refer to or concern this agreement. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.
- k. For violation of any of the above provisions, PHA may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with PHA. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those PHA may have under law, statute, regulation, or otherwise.

## **13. Subcontracts**

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- a. There shall be no subcontracting without the prior written consent of the Contracting Officer.
- b. The PHA may, without claim for extra cost by the Contractor, disapprove any subcontractor for cause on the basis of its own determination or because the proposed subcontractor is suspended or debarred by the U.S. Government, the Commonwealth of Pennsylvania or PHA.
- c. The Contractor shall cause provisions to be inserted in all subcontracts to bind subcontractors to the terms of this Contract (including Affirmative Action provisions) insofar as they are applicable to the work of the subcontractor.
- d. Nothing contained in the Contract shall create any contractual relation between any subcontractor and PHA.
- e. Any subcontracting that may need to be done to perform the services or provides the goods under the contract must be procured in accordance with 2 CFR 200 Et Seq., any applicable Commonwealth of Pennsylvania procurement requirements, and the PHA CPP-10. The Contractor must submit copies to PHA of all solicitation records associated with the contract, including solicitation responses and evaluation documents within 30 days of execution of any subcontract. All subcontracting procurement records must be retained by the Contractor for a period of four (4) years after the termination of the contract and its related closing actions.

## **14. Subcontracting with Small and Minority Firms, and Women's Business Enterprise**

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The Contractor shall take the following steps to assure that, whenever possible, subcontracts are awarded to small and minority firms, and women's business enterprises by:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses and women's business enterprises are solicited whenever possible;

- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
- d. Establishing delivery schedules, where the requirements of the Contract permit, which encourage participation by small and minority businesses and women's business enterprises; and
- e. Using the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, and state and local governmental small business agencies.

## **15. Contractor Conflicts**

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The Contractor, its employees, agents and subcontractors shall not, during the term of this Contract, undertake any employment or engagement or, except as required by law, perform any act or allow any omission, which may result in a conflict with any of their respective obligations under this Contract. A conflict includes, but is not limited to engagement by a third party to review, comment or critique PHA work in the same or similar areas as reflected in this Contract's scope of work. In the event Contractor, its agents, or subcontractors are called upon under a purported requirement of law to do or omit anything that may be in violation of the foregoing, the Contractor shall give the PHA Contracting Officer sufficient advance written notice thereof to allow the matter to be contested by PHA.

## **16. Permits and Licenses**

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If any permits, licenses or other approvals are necessary for the performance of this Contract, then the Contractor shall obtain all such permits, licenses or approvals, including use of patents, trademarks or copyrights, at no extra charge to PHA.

## **17. Rights in Data and Copyrights**

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- a. Except as provided elsewhere in this clause, PHA shall have unlimited rights in data first produced in the performance of this Contract; form, fit, and function data delivered under this Contract; data delivered under this Contract (except for restricted computer software) that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this Contract; and all other data delivered under this Contract unless provided otherwise for limited rights data or restricted computer software.
- b. The Contractor shall have the right to: use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Contractor in the performance of this Contract, unless provided otherwise in this clause; protect from unauthorized disclosure and use those data which are limited rights data or restricted computer software to the extent provided in this clause; substantiate use of, add or correct limited rights, restricted rights, or copyright notices and to take other appropriate action in accordance with this clause; and establish claim to copyright subsisting in data first produced in the performance of this Contract to the extent provided below.
- c. For data first produced in the performance of this Contract, the Contractor may establish, without prior approval of the Contracting Officer, claim to copyright subsisting in scientific or technical articles based on or containing data first produced in the performance of this Contract. The Contractor grants the PHA and others acting on its behalf a paid-up, non-exclusive, irrevocable, worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform or display publicly by or on behalf of the PHA.
- d. The Contractor shall not, without the prior written permission of the Contracting Officer, incorporate in data delivered under this Contract any data not first produced in the performance of this Contract and which contains copyright notice, unless the Contractor identifies such data and grants the PHA a license of the same scope as identified in the preceding paragraph.

- e. The PHA agrees not to remove any copyright notices placed on data and to include such notices in all reproductions of the data. If any data delivered under this Contract are improperly marked, the Contracting Officer may either return the data to the Contractor, or cancel or ignore the markings.
- f. The Contractor is responsible for obtaining from its subcontractors all data and rights necessary to fulfill the Contractor's obligations under this Contract.
- g. Notwithstanding any provisions to the contrary contained in any contractor's standard commercial license or lease agreement pertaining to any restricted computer software delivered under this Contract, and irrespective of whether any such agreement has been proposed prior to the award of this Contract or of the fact that such agreement may be affixed to or accompany the restricted computer software upon delivery, the Contractor agrees that the PHA shall have the rights set forth below to use, duplicate, or disclose any restricted computer software delivered under this Contract. The terms and conditions of this Contract, including any commercial lease or licensing agreement, shall be subject to the following procedures.
  - i. The restricted computer software delivered under this Contract may not be used, reproduced, or disclosed by PHA except as provided below or as expressly stated otherwise in this Contract.
  - ii. The restricted computer software may be: used or copied for use in or with the computer(s) for which it was acquired, including use at any PHA location to which such computer(s) may be transferred; used or copied for use in or with backup computer if any computer for which it was acquired is inoperative; reproduced for safekeeping (archives) or backup purposes; modified, adapted, or combined with other computer software, provided that the modified, combined, or adapted portions of the derivative software incorporating any of the delivered, restricted computer software shall be subject to the same restrictions set forth in this Contract; and used or copies for use in or transferred to a replacement computer.

## **18. Royalties and Patents**

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The Contractor shall pay all royalties and license fees. It shall defend all suits or claims for infringement of any patent rights and shall save PHA harmless from loss on account thereof; except that PHA shall be responsible for all such loss when a particular design, process or the product of a particular manufacturer or manufacturers is specified and the Contractor has no reason to believe that the specified design, process, or product is an infringement. If, however, the Contractor has reason to believe that any design, process or product specified by PHA is an infringement of a patent, the Contractor shall promptly notify the Contracting Officer. Failure to give such notice shall make the Contractor responsible for resultant loss.

## **19. Warranty & Product Documents**

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- a. The Contractor shall submit product data and manufacturer's specifications as required by PHA. Manufacturer's written product and procedures requirements, when approved by PHA, become part of the Contract. PHA reserves the right to reject items not in compliance with the manufacturer's specifications.
- b. The Contractor shall submit warranty and guaranty papers along with the manufacturer's data for each product. The adequacy of the documentation is subject to approval by PHA. The Contractor shall be a fully authorized and qualified seller, user or installer of the materials specified and/or approved. The Contractor shall submit proof of certification indicating he is acceptable to the manufacturer.
- c. On-Site Delivery

If PHA requires Contractor to deliver goods to a PHA site, then the Contractor's representative shall sign in at the PHA manager's office on-site prior to commencing delivery.

## **20. Insurance**

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- a. Before commencing work, the Contractor and each sub-contractor shall furnish the PHA with certificates of insurance showing the following insurance is in force and will insure all operations under the Contract:
  - i. Workers' Compensation, in accordance with State or Territorial Workers' Compensation laws and Employers Liability with limits of not less than \$500,000.
  - ii. Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$1,000,000.00 per occurrence/\$2,000,000 General Aggregate. This shall cover the use of all equipment, hoists, and vehicles on the site(s) not covered by Automobile Liability under (3) below. If the Contractor has a "claims-made" policy based on Section (e) (5) of this clause, then the following additional requirements apply: the policy must provide a "retroactive date" which must be on or before the execution date of the Contract; and should the policy be canceled or non-renewed, the extended reporting coverage will be purchased to extend coverage to one year after the end of the contract period, limited only by the exhaustion of the policy limits. See PHA Special Terms and Conditions for higher levels of coverage for certain types of purchases.
  - iii. Automobile Liability coverage on owned, non-owned, and hired auto coverage for motor vehicles used on the site(s) or in connection therewith and with a combined single limit for bodily injury and property damage of not less than \$1,000,000.00 per occurrence.
- b. All insurance shall be carried with companies which are financially responsible and admitted to do business in the State in which the project is located and have an A.M. Best Rating of A . If any such insurance is due to expire during the Contract period, the Contractor (including subcontractors, as applicable) shall not permit the coverage to lapse and shall furnish evidence of coverage to the Contracting Officer. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be canceled or non-renewed by the insurance company until at least thirty (30) days prior written notice has been given to the Contracting Officer. Such notice must be sent by Certified Mail, Return Receipt Requested, to the Contracting Officer's attention.
- c. Additional Insured Requirement: Philadelphia Housing Authority is to be named an "additional insured" on all policies required hereunder except Workers' Compensation, Employer's Liability, and Professional Liability. An endorsement stating the above shall be provided to the PHA by the Contractor prior to the commencement of the work. The General Liability additional insured endorsement shall be provided to PHA.
- d. Minimum Scope of Insurance: Coverage should be at least as broad as:
  - i. Insurance Services Office form number CA 0001 (Ed. 03/06) covering Automobile Liability, Symbol "1" - "any auto".
  - ii. Workers' Compensation Insurance as required by the Pennsylvania Workers' Compensation Act, with \$500,000 limit of liability for Employers Liability Insurance.
- e. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
  - i. General Liability and Automobile Liability coverages
    - 1) The PHA, its Board of Commissioners, officers, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed or should have been performed by or on behalf of the Contractor; products and completed operations of the Contractor; automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the PHA, its Board of Commissioners, officers, employees or volunteers.
    - 2) The Contractor's insurance coverage shall be primary insurance as respects the PHA, its Board of Commissioners, officers, employees and volunteers. Any insurance or self-insurance maintained by PHA, its Board of Commissioners,

- officers, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- 3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the PHA, its Board of Commissioners, officers, employees or volunteers.
  - 4) The Contractor's insurance shall apply separately to each insured against whom claim is made or suit brought, except with respect to the limits of the insurer's liability.
  - 5) In each instance, coverage should be provided on an "occurrence" basis, as opposed to a "claims-made" basis. Claims-made coverage will only be accepted in the event that it is verified that occurrence coverage is not available.
- Also included in the Commercial General Liability coverage supplied by the Contractor will be Explosion Collapse and Underground Hazard Liability, if applicable.
- ii. Workers' Compensation and Employer's Liability Coverage: The Contractor agrees to obtain a waiver from the insurer waiving all rights of subrogation against the PHA, its Board of Commissioners, officers, employees and volunteers for losses arising from work performed by, for, or in behalf of the Contractor for the PHA.
  - iii. All Coverages: Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the PHA Risk Management Department.
  - iv. Professional Liability Insurance: If the entity responding to this Request for Proposal will provide architectural, engineering, consulting, construction management, counseling, medical, legal, or professional services, the Contractor shall maintain Professional Liability Insurance.. The minimum limit of liability will be \$1,000,000.00 per claim, \$2,000,000.00 annual aggregate on an occurrence basis. If suitable coverage cannot be obtained on an occurrence basis, then the Contractor may purchase suitable coverage on a claims-made basis with the retroactive date being on or before the execution date of the Contract. Should such insurance be cancelled, or not renewed, the Contractor agrees to purchase extended reporting coverage which extends the discovery period for at least five (5) years from the date of cancellation. The Contractor also agrees to continue the above coverage for a period of at least five (5) years from the date of completion of the Contract. This coverage shall not have a deductible maximum greater than \$10,000.00 per loss. This type of insurance is required for certain types of purchases as defined in PHA Special Terms and Conditions.
- f. Deductibles and Self-Insured Retention: Self-insured retentions must be declared to and approved by the PHA. At the option of the PHA, either: The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the PHA, its Board of Commissioners, officers, employees and volunteers. Verification of Coverage: Contractor shall furnish the PHA with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificate shall include the Contract number and the Development name. These certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the PHA before work commences. Upon renewal of coverages, Contractor must provide new insurance certificates meeting the insurance coverages as indicated above. The PHA reserves the right to require complete, certified copies of all required insurance policies, at any time.
- g. Subcontractors: Coverage provided under the applicable Contractor's policies will include coverage for those liabilities incurred through the actions, omissions and activities of all subcontractors. Contractor will cause any subcontractors to carry insurance coverage identical to that of the Contractor as regards perils insured against, scope of coverage, and limits of liability such as for Workers Compensation and Liability Insurance for asbestos and other

- hazardous types of purchases. When applicable and upon request, certificates of subcontractor's insurance shall be provided to PHA.
- h. Binders: Binders are not acceptable as adequate insurance coverage.

## **21. Compliance with Law**

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The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in performing its obligations under the Contract.

## **22. Nondiscrimination/Sexual Harassment**

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- a. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any person who is qualified and available to perform the work to which the employment relates.
- b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Contract on account of gender, race, creed, or color.
- c. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the Contract relates.
- e. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the Contracting Officer for purposes of investigation to ascertain compliance with this clause.
- f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment clause in every subcontract so that such provisions will be binding upon each subcontractor.
- g. PHA may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this clause. In addition, PHA may proceed with debarment or suspension of the Contractor.

## **23. Americans with Disabilities Act**

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Contractor shall comply with federal regulations promulgated under the authority of The Americans with Disabilities Act, 28 C. F. R. § 35.101 et seq. The Contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Contract or from activities provided for under this Contract. As a condition of accepting and executing this Contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C. F. R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to the benefits, services, programs, and activities provided by PHA through contracts with outside contractors.

## **24. Commonwealth of Pennsylvania Steel Products Procurement Act**

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- a. This project is subject to the provisions of the Steel Products Procurement Act of 1978 (P.L. 6, No. 3) as amended by the Act of July 9, 1984 (P.L. 674, No. 144). All contractors, subcontractors, and material suppliers shall be required to comply with all provisions of this Act.
- b. The Contractor shall be required to provide with each Application-Certificate of Payment form an executed copy of the Certification of Compliance with the Steel Products Procurement Act form and additional documentation, including but not limited to, invoices, bills of lading, mill

certifications, or other acceptable evidence that the steel products represented on the payment application comply with one or more of the following categories:

- i. That the steel utilized on this project was melted and manufactured in the United States; and/or
  - ii. The product contains both foreign and United States steel, and at least seventy-five percent (75%) of the cost of all of the articles, materials, and supplies incorporated in the product have been mined, produced, or manufactured, as the case may be, in the United States; and/or
  - iii. The steel product is not produced in the United States in sufficient quantities to meet the requirements of the Contract, and prior written approval to use foreign steel has been obtained from The Pennsylvania State University.
- c. Any nonconforming steel products incorporated into the work shall be removed and replaced by the Contractor, at its own expense, with products meeting the requirements of the Act.
  - d. Willful violation of this Act can result in penalties, including (but not necessarily limited to) prohibition from submitting any bids, or performing any work, or supplying any materials to a public agency for a period five (5) years from the date of the determination that a violation has occurred.

## **25. Applicable Law**

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The Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

## **26. Provisions Required or Prohibited by Law**

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Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to be inserted herein, and this Contract shall be read and enforced as though such provisions were included herein. Any clause in this Contract prohibited by law shall be deemed to be deleted from this Contract, and this Contract shall be read and enforced as though such provision were not included herein.

## **27. Related Entities**

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PHA reserves the right to procure supplies or services on behalf of its affiliated entities and subsidiaries including but not limited to several limited partnerships (“Related Entities”). Each Related Entity shall have the right to procure such supplies or services directly from Contractor pursuant to this Contract. PHA will generally advise the Contractor that the contract or task/delivery order is being issued on behalf of a Related Entity and provide any special instructions. However, failure of PHA to do so does not negate the Contractor’s obligation to provide the supply or service ordered.

## **28. Order of Precedence**

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Conflicts in the contract documents shall be resolved in accordance with the following order of precedence:

1. Addendum Number \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_\_.  
2. Addendum Number \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_\_.  
3. Services Contract;  
4. HUD Standard Terms & Conditions  
5. Statement of Work  
6. PHA Special Terms & Conditions

7. PHA Standard Terms & Conditions
8. Solicitation Number \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_\_, and entitled \_\_\_\_\_.
9. Contractor's proposal and Best and Final Offer (if requested) as accepted by the PHA.
10. Affirmative Action requirements
11. Instructions to Proposers
12. Representations, Certifications, and other statements to Proposers

## **29. Certifications and Representations**

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In the event that Contractor's certifications and representations set forth in Section I shall at any time cease to be true and correct in all material respects, Contractor shall promptly notify PHA of same, setting forth the particulars and identifying the steps, if any, being taken by Contractor to render such representation or certification to be true and correct in all material respects.

## **30. Taxes**

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- a. Contractor agrees to disclose to PHA all taxes paid pursuant to 72 Pennsylvania Statutes ("P.S.") § 7202 ("Sales Tax") paid by the Contractor in connection with the Contract, including in the Contractor's bid an itemization of Sales Tax expected to be paid in connection with this Contract.
- b. Contractor agrees to cooperate fully with PHA in determining which items Contractor purchases pursuant to this Contract are those on which Contractor will pay Sales Tax.
- c. Contractor will also cooperate fully with PHA in seeking guidance from the Pennsylvania Department of Revenue ("Department of Revenue") in determining which items are subject to Sales Tax.
- d. With respect to any item on which Contractor expects to pay Sales Tax, Contractor agrees to allow PHA the option of purchasing such item directly and to reduce the cost charged to PHA by the amount of Sales Tax Contractor would have paid had Contractor purchased such item.
- e. Contractor assigns to PHA all of its right, title and interest in and to any and all refund of Sales Tax Contractor will pay in connection with this Contract and agrees to cooperate fully with PHA in assisting PHA to obtain a refund of any and all Sales Tax Contractor paid in connection with this Contract, including but not limited to:
  - i. filing a petition for refund with the Department of Revenue at the request of PHA;
  - ii. providing PHA with any receipts or other documentation reasonably requested by PHA in connection with PHA pursuing such refund; and
  - iii. testifying at a hearing in connection with the pursuit of such refund.
- f. In the event PHA exercises its right under Section e to require Contractor to file a petition for refund of Sales Tax paid, PHA will, at its sole discretion:
  - i. determine the manner in which to pursue, and whether to continue pursuing, such refund; and
  - ii. select the representative to pursue such refund.

Further, PHA agrees to pay all fees and costs associated with pursuing such refund, but Contractor agrees that its payment under this Contact constitute full and complete consideration for any assistance Contractor may provide to PHA in pursuing such refund on PHA's behalf. Not later than five days after receipt thereof, Contractor agrees to pay to PHA any amount of Sales Tax refund received by Contractor in connection with a refund of Sales Tax paid in connection with this Contract.

- g. Contractor agrees to purchase, but not pay Sales Tax on, every item that qualifies as 'building machinery and equipment' (as defined in 72 P.S. § 7201(pp)) by providing Contractor's vendor with a properly completed exemption certificate (REV-1220) within sixty days of the purchase of each such item. Contractor further agrees that it shall include on line 7 of such exemption certificate the following statement: Property or services qualify as 'building machinery and

equipment' and will be transferred pursuant to a construction contract to a tax-exempt organization. Further, if any purchase of items by Contractor includes both Sales Tax exempt 'building machinery and equipment' and otherwise taxable property, Contractor agrees to maintain records sufficient to permit the Department of Revenue to ascertain whether the items purchased were in fact 'building machinery and equipment.'

- h. Contractor agrees to be solely responsible for any Sales Tax assessed on any item Contractor purchased pursuant to this Contract and further agrees to indemnify PHA for any Sales Tax PHA is subsequently assessed by the Department of Revenue with respect to any item Contractor purchased in connection with this Contract and on which Contractor did not pay Sales Tax.

## **31. Public Disclosure**

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After the award of a contract pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests.

## **32. Minimum Wages**

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- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
  - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
  - (2) The classification is utilized in the area by the industry; and
  - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.  
(ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

## **33. Withholding of funds**

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The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the

full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. PHA or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

## **34. Records**

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- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
  - 1) Name, address and Social Security Number;
  - 2) Correct work classification or classifications;
  - 3) Hourly rate or rates of monetary wages paid;
  - 4) Rate or rates of any fringe benefits provided;
  - 5) Number of daily and weekly hours worked;
  - 6) Gross wages earned;
  - 7) Any deductions made; and
  - 8) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or PHA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

## **35. Apprentices and Trainees**

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- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
  - 1) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice;
  - 2) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
  - 3) A training/trainee program that has received prior approval by HUD.

- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

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## 36. Disputes concerning labor standards

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- (a) Disputes arising out of the labor standards provisions contained in this Section, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and PHA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of PHA, or upon request of the Contractor or subcontractor(s).
- 1) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by PHA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by PHA or HUD. The request shall set forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to PHA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD).
  - 2) PHA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations.
  - 3) The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

(b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this clause. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and PHA, HUD, the U.S. Department of Labor, or the employees or their representatives.

## **37. Contract Work Hours and Safety Standards Act**

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The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms “laborers” and “mechanics” includes watchmen and guards.

- a. Overtime requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- b. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any subcontractor responsible thereof shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.
- c. Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

## **38. Subcontracts**

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The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

## **39. Non-Federal Prevailing Wage Rates**

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Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

## F. TERMS & CONDITIONS

### SECTION III. PHA SPECIAL TERMS & CONDITIONS

#### 1. Term Of The Contract

The term of the Contract shall consist of a two (2) year base period with three (3) one-year option periods to extend services. This term includes the performance period of all orders or purchases released under the contract. Contract options may be exercised early if Contract funding is utilized before the Contract performance period expires; provided that PHA shall be under no obligation to do so, and the Contract rates will not increase until the annual period for which they were proposed has elapsed.

#### 2. Cost Proposals

Offerors  are  not required to propose prices for all line items in the Schedule.

*The following selected clauses are applicable to the Contract:*

#### 3. Proposal Security

- a. Failure to furnish proposal security in the proper form and amount, by the time set for opening of bids, may be cause for rejection of the proposal.
- b. The Offeror shall furnish a proposal guarantee in the form of a firm commitment, e.g., proposal bond supported by good and sufficient surety or sureties acceptable to PHA, postal money order, certified check, cashier's check, irrevocable letter of credit, or, under Treasury Department regulations, certain bonds or notes of the United States. PHA will return proposal guarantees, other than proposal bonds, (1) to unsuccessful Offerors as soon as practicable after the opening of proposals, and (2) to the successful Offeror upon execution of contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the proposal as accepted.
- c. The amount of the proposal guarantee shall be 5 percent of the proposal price.
- d. If the successful Offeror, upon acceptance of its proposal by PHA within the period specified for acceptance, fails to execute all contractual documents or furnish executed bond(s) within 10 days after receipt of the forms by the Offeror, the Contracting Officer may terminate the Contract for default.
- e. In the event the Contract is terminated for default, the Offeror is liable for any cost of acquiring the work that exceeds the amount of its proposal, and the proposal guarantee is available to offset the difference.

#### 4. Multiple Awards

PHA reserves the right to make multiple awards under this solicitation. Although the scope of services will remain the same for each contract, the dollar amount of each contract may vary.

## **5. Fixed Fee**

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- a. If a cost plus fixed fee type of contract is used, PHA shall pay the Contractor for performing this Contract the fixed fee specified in the Schedule.
- b. Payment of the fixed fee shall be made as specified in the Schedule; provided that after payment of 85 percent of the fixed fee, the Contracting Officer may withhold further payment of fee until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect PHA's interest. This reserve shall not exceed 15 percent of the total fixed fee or \$100,000, whichever is less.

## **6. Indefinite Quantity (Special Services)**

---

- a. This is an indefinite-quantity contract with FIRM FIXED UNIT PRICING for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this Contract.
- b. Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to PHA, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." PHA shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."
- c. Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. PHA may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- d. Any order issued during the effective period of this Contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The Contract shall govern the Contractor's and PHA's rights and obligations with respect to that order to the same extent as if the order were completed during the Contract's effective period.

## **7. Definite Quantity**

---

- a. This is a definite-quantity, indefinite-delivery contract with FIRM FIXED UNIT PRICING for the supplies or services specified, and effective for the period stated, in the Schedule.
- b. PHA shall order the quantity of supplies or services specified in the Schedule, and the Contractor shall furnish them when ordered. Delivery or performance shall be at locations designated in orders issued in accordance with the Ordering clause and the Schedule.
- c. Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. PHA may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- d. Any order issued during the effective period of this Contract and not completed within that time shall be completed by the Contractor within the time specified in the order. The Contract shall govern the Contractor's and PHA's rights and obligations with respect to that order to the same extent as if the order were completed during the Contract's effective period.

## **8. Requirements**

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- a. This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this Contract. Except as this Contract may otherwise provide, if PHA's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

- b. Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this Contract, the Contractor shall furnish to PHA all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. PHA may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- c. Except as this Contract otherwise provides, PHA shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by PHA activity or activities specified in the Schedule.
- d. PHA is not required to purchase from the Contractor requirements in excess of any limit on total orders under this Contract.
- e. If PHA urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this Contract, and if the Contractor will not accept an order providing for the accelerated delivery, PHA may acquire the urgently required goods or services from another source.
- f. Any order issued during the effective period of this Contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The Contract shall govern the Contractor's and PHA's rights and obligations with respect to that order to the same extent as if the order were completed during the Contract's effective period.

## 9. Ordering

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- a. Any supplies and services to be furnished under this Contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule during the term of the Contract. Such orders may be issued from the date of award through the remaining time and or available funds, in accordance with this Contract. The ordering activity for this Contract/task order is PHA's Procurement and or Contract Administration department.
- b. All delivery orders or task orders are subject to the terms and conditions of this Contract. In the event of conflict between a delivery order or task order and this Contract, the Contract shall control.
- c. If mailed, a delivery order or task order is considered "issued" when PHA deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic methods.
- d. Contractor must resolve any discrepancies appearing on PHA's task/delivery order prior to delivery. Contractor must resolve issues regarding quantities, services, descriptions, items, etc. Failure to comply and resolve discrepancies shall remain the Contractor's sole responsibility.

## 10. Order Limitations

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- a. **Minimum order.** When PHA requires supplies or services covered by this Contract in an amount of less than \$\_\_\_\_\_, the PHA is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the Contract.
- b. **Maximum order.** The Contractor is not obligated to honor
  - i. Any order for a single item in excess of 100% of the total Contract value for the Contract period;
  - ii. Any order for a combination of items in excess of 100% of the total Contract value for the Contract period; or
  - iii. A series of orders from the same ordering office within seven (7) days that together call for quantities exceeding the limitation in paragraph (b)(1) or (2) of this section.
- c. Notwithstanding paragraphs (b) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to

the ordering office within five (5) days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons.

## 11. Prequalification

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- a. Contract award may only be made to pre-qualified offerors. Although not a condition to submitting an offer, it is strongly advised that a pre-qualification application be obtained, completed, and returned to PHA's Pre-Qualification Division prior to the submission of a proposal. Applications may be obtained from the Pre-Qualification Division, 2013 Ridge Avenue, Philadelphia, PA 19121; Tel: 215-684-8562.
- b. Failure to complete the application within the required time limits may cause the offeror to be deemed non-responsive and ineligible for contract award. The following time limit applies to this solicitation:
  - Offerors will be given ten (10) working days after notification by the Pre-Qualification Division to supply the information necessary to complete the Pre-Qualification application.
  - Offerors will be given two (2) working days after notification by the Pre-Qualification Division to supply the information necessary to complete the Pre-Qualification application.

## 12. Liquidated Damages

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- a. If the Contractor fails to complete the work within the time specified in the Contract, or any extension, the contractor shall pay to the PHA as liquidated damages, the sum of \$ for each day of delay. To the extent that the Contractor's delay or nonperformance is excused under another clause of this Contract, liquidated damages shall not be due to PHA. The Contractor remains liable for damages caused other than by delay.
- b. If the PHA terminates the Contractor's right to proceed, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work together with any increased costs incurred by PHA to complete the work.

## 13. Warranty

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The equipment/part provided under this Contract shall have a warranty of 30 days from the date of final acceptance of all deliveries or work under this Contract.

## 14. Insurance

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The following types of insurance is required in addition to the general liability, workers compensation and auto liability insurance included in Section 20 of PHA Standard Terms and Conditions. (See page F-5 - Supplemental Insurance)

## 15. Project Labor Agreement (PLA)

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The PLA covers PHA's affordable housing residential development and major capital renovation projects estimated to cost three million dollars (\$3,000,000.00) or more (the "Covered Projects") The Covered Projects shall encompass all of PHA's low-income housing tax credit developments, existing PHA-owned housing developments and the construction of new affordable housing developments consisting of four floors or less.

The attached Project Labor Agreement is to be applied to this proposal. Those vendors who do not submit a signed Project Labor Agreement with their proposals will be found non-responsive.

## **16. Collective Bargaining**

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### **Subcontracting**

Any contractor or subcontractor awarded work that is performed by the following list of trades will have one or more union representing those trades as a representative of its employees prior to work commencing.

Asbestos Laborer  
Asbestos Laborer Foreman  
Carpenter  
Drywall Finisher  
Electrician  
Facilities Maintenance Foreman  
General Foreman  
General Foreman II  
Glazier  
Groundskeeper  
Laborer  
Laborer Foreman  
Laborer Supervisor Quality Control  
Locksmith Mechanic  
Maintenance Foreman/Instructor  
Maintenance Aide  
Maintenance Foreman  
Maintenance Mechanic  
Painter  
Painter Foreman/Instructor  
Plasterer  
Plasterer Foreman  
Plumber  
Sr Maintenance Aide  
Stationary Engineer  
Stationary Fireman  
Utility Equipment Foreman

## SUPPLEMENTAL INSURANCE REQUIREMENTS :

*(check marks indicate required coverage for the type of work in addition to the insurance requirements state in Section E)*

Type of Work	General Liability \$2M/occurrence \$2M aggregate	Professional Liability \$1M/claim \$2M aggregate	Liability Pollution \$2M/loss \$2M aggregate
Architectural and Engineering Services		<input type="checkbox"/>	
Consulting		<input type="checkbox"/>	
Construction Management	<input type="checkbox"/>		<input type="checkbox"/>
Contractor - Single Trade	<input type="checkbox"/>		
Boiler Maintenance	<input type="checkbox"/>		
Elevator Maintenance	<input type="checkbox"/>		
Asbestos Removal	<input type="checkbox"/>		<input type="checkbox"/>
Janitorial Services	<input type="checkbox"/>		
Sprinkler & Fire Alarm Systems	<input type="checkbox"/>		
Insurance	<input type="checkbox"/>	<input type="checkbox"/>	
Landscaping and Snow Removal	<input type="checkbox"/>		
Legal Services	<input type="checkbox"/>	<input type="checkbox"/>	
Security Services	<input type="checkbox"/>		

## **G. EVALUATION CRITERIA**

All proposals received by the specified date shall be subject to evaluation by a review committee. The following criteria can be used to rank Offerors. PHA reserves the right to hold discussions with and request Best and Final Offers from the highest rated Offerors determined by PHA to be within the competitive range. Award will be made to the Offeror(s) whose price, technical factors, and level of MBE/WBE and Section 3 participation are most advantageous to PHA.

<b>NUMBER</b>	<b>EVALUATION CRITERIA</b>	<b>POINTS</b>
1	Demonstrated understanding of the requirements pursuant to the scope of services.	20
2	Capacity and Capability to Perform	20
3	Work plan and approach	15
4	Past Performance (minimum of three past performance surveys) relative to the requested services	15
5	Certified MBE/WBE and Section 3 participation to meet best effort goals.	10
6	Cost/Price BAFO	20
	<b>TOTAL</b>	<b>100</b>

## **I. Evaluation, Scoring and Selection Criteria:**

### **A. Selection Criteria**

PHA will evaluate and select Firm(s) according to the evaluation criteria set forth on page G-1 of this RFP.

### **B. Evaluation Process**

Responsive proposals will be evaluated in the following manner:

1. A technical evaluation committee will review, rate and score all proposals individually on their technical merits and according to evaluation criteria on page G-1.
2. Upon completion of technical evaluation, all Offerors proposals will be classified as acceptable, potentially acceptable, or unacceptable. All Offeror found to be acceptable or potentially acceptable will be deemed to be in the competitive range.
3. All proposals deemed to be in the competitive range may be given an opportunity to present an oral presentation to Evaluation Committee.
4. Those proposals in the competitive range may be asked to participate in negotiations to discuss technical and price factors to ensure a mutual understanding of both PHA requirements and the respondent's proposal, unless PHA determines that there is no need to hold negotiations and awards are made base on initial proposals received. Negotiations will be conducted either in person or by telephone depending on the nature of each proposal and the evaluation panel's requirement.
5. After negotiations are completed with those proposals in the competitive range, a date and time will be established for submission of best and final offers if they are considered necessary and in the best interest of PHA. Best and final offers will be submitted only once unless the Contracting Officer makes a written determination that it is in PHA's best interest to conduct additional negotiations or change PHA requirements and request another submission of best and final offers.
6. After best and final offers are received, a final round of technical and fee proposal evaluation will occur.
7. The Evaluation Committee will recommend the responsible Firm (s) whose proposal(s) is/are most advantageous, with price and technical factors considered, for selection.
8. The selection will be awarded to the proposal that provided PHA with the best value based on the pre-established evaluation criteria and process. Selection will not necessarily be made to the lowest offeror.

## References

Please provide the name, address, telephone number and email addresses of a minimum of three (3) references for whom the offeror performed work substantially similar to that required by the solicitation. All references listed below shall be supported with a “Past Performance Survey.”

**1.**

**2.**

**3.**

**List all items, other than the required proposal form and certifications, included as part of the offeror's proposal:**

**1. Acknowledgement of Amendments**

The offeror hereby acknowledges the receipt of and obligation to perform pursuant to the following addenda to this RFP:

Addendum No.	_____	dated	_____
Addendum No.	_____	dated	_____
Addendum No.	_____	dated	_____

## **2. Binding Contract**

The offeror acknowledges and agrees that no contract shall exist until signed by both parties, except that Section F.3 (Proposal Security), if applicable, shall be binding on the offeror in accordance with its terms prior to the execution of a contract. In addition, until an agreement is signed by both parties, PHA may rescind any recommendation of award and the offeror will be deemed to have waived any and all rights to obtain a contract with PHA or seek damages against PHA.

Name of Offeror: \_\_\_\_\_

Federal Tax Identification Number \_\_\_\_\_ (if applicable)

DUNS Number \_\_\_\_\_ (if applicable) State  
of incorporation \_\_\_\_\_ (if applicable)

Philadelphia Business A/C Number \_\_\_\_\_ (if applicable)

Social Security Number (last 4-digits) \_\_\_\_\_ (if offeror is an individual)

Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_

## **I. CERTIFICATIONS AND REPRESENTATIONS OF OFFERORS**

### **1. Offeror's Certification Of Eligibility**

- (a) By the submission of this proposal, the offeror certifies that to the best of its knowledge and belief:
- (i) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to be awarded contracts by any agency of the United States Government, HUD, or the State in which this Contract is to be performed;
  - (ii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to participate in HUD programs pursuant to 24 CFR Part 24;
  - (iii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of any State Government or of the City of Philadelphia or the Philadelphia Housing Authority from doing business with such Department or Agency for the period beginning 5 years prior to the date of this certification;
  - (iv) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has experienced default or noncompliance under any contract for the U.S. Department of Housing and Urban Development, or any other governmental agency with which it has contracts for the period beginning 10 years prior to the date of this certification;
  - (v) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has unresolved findings raised as a result of HUD audits, management reviews or any other Governmental investigations concerning the offeror or any person or firm which has an interest in the offeror's firm under any of the offeror's contracts;
  - (vi) There has not been a suspension or termination of payments under any HUD contract in which the offeror has a legal or beneficial interest attributable to the offeror's fault or negligence;
  - (vii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has defaulted on an

obligation covered by a bond and have not been the subject of a claim under any fidelity bond.

- (viii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been found by HUD or the Commonwealth of Pennsylvania to be in noncompliance with any applicable civil rights laws.
  - (ix) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is a Member of Congress or a Resident Commissioner or otherwise prohibited or limited by law from contracting with the Philadelphia Housing Authority.
  - (x) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm is an officer or employee or commissioner of the Philadelphia Housing Authority who is prohibited or limited by law from contracting with the PHA.
  - (xi) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been convicted of a felony and are not presently the subject of a complaint or indictment charging a felony. (A felony is any offense punishable by imprisonment for more than one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less.)
- (b) Statements above to which the offeror cannot certify (if any) have been deleted by striking through the words with a pen. The offeror has initialed each deletion (if any) and has attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which qualify the offeror as a responsible offeror for participation in this project.
  - (c) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the offeror knowingly rendered an erroneous certification, the Contract may be terminated for default, and the offeror may be debarred or suspended from participation in HUD and PHA programs and other Federal contract programs.

## **2. Small, Minority, Women-Owned Business Concern Representation**

The offeror represents and certifies as part of its offer that it:

check the appropriate box

- (a) [ ] is, [ ] is not a small business concern. “Small business concern,” as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

check the appropriate box

- (b) [ ] is, [ ] is not a women-owned small business concern. “Women-owned,” as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

Certifying Agency & Certification Number (if applicable):

check the appropriate box

- (c) [ ] is, [ ] is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

- (i) For the purpose of this definition, minority group members are:  
(check the block applicable to you)

[ ] Black Americans [ ] Asian Pacific Americans  
[ ] Hispanic Americans [ ] Asian Indian Americans  
[ ] Native Americans [ ] Hasidic Jewish Americans

check the appropriate box if applicable

provide certification number if applicable

- (ii) Certifying Agency & Certification Number (if applicable):

### **3. Conflict of Interest**

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to the possible performance of this procurement, as described in the clause in this solicitation titled “Organizational Conflict of Interest.”

### **4. Contingent Fee Representation and Agreement**

- (a) The offeror represents and certifies as part of its offer that, except for full-time bona fide employees working solely for the offeror, the offeror:

check the appropriate box

check the appropriate box

- (i) [ ] has, [ ] has not employed or retained any person or company to solicit or obtain this Contract; and
  - (ii) [ ] has, [ ] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this Contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this Contract.
- (b) If the answer to either (a)(1) or (a) (2) above is affirmative, the offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.
  - (c) Any misrepresentation by the offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from Contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the Contract.

## 5. Certificate of Independent Price Determination

- (a) The offeror certifies that –
  - (i) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit a offer, or (iii) the methods or factors used to calculate the prices offered;
  - (ii) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
  - (iii) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
- (b) Each signature on the offer is considered to be a certification by the signatory that the signatory:
  - (i) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above; or

(ii)

- (1) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above (insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization):

complete if applicable

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- (2) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(i) through (a)(iii) above; and
- (3) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above.

- (c) If the offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.
- (d) The offeror further certifies that he/she has not been convicted or found liable for any act prohibited by state or federal law involving conspiracy or collusion with respect to proposing or bidding on any public contract within the last three years. Such act or conviction does not automatically disqualify an offeror, but may be grounds for administrative suspension or grounds for consideration by PHA as to whether PHA should decline to award a contract to such an offeror on the basis of a lack of responsibility. If offeror has been convicted of any act prohibited by State or Federal law involving collusion with respect to proposing or bidding on any public contract within the past three years, offeror should attach an explanation of the circumstances surrounding that conviction.
- (e) [ ] [check if following paragraph is applicable]

check the box  
if applicable

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Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

- (i) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.
- check the appropriate box**
- (ii) A fully executed "Non-collusive Affidavit" [ ] is, [ ] is not included with the bid. (See page I-12 for Affidavit form).

**6. Certification And Disclosure Regarding Payments To Influence Certain Federal Transactions (applicable to contracts exceeding \$100,000)**

- provide a date**
- (a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The offeror, by signing its proposal, hereby certifies to the best of his or her knowledge and belief as of \_\_\_\_\_, 20\_\_\_\_\_, that:
- (i) No Federal appropriated funds have been paid or will be paid 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 on his or her behalf in connection with the awarding of a contract resulting from this solicitation;
- (ii) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, 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 on his or her behalf in connection with this solicitation, the proposer shall complete and submit, with its proposal, OMB standard form LLL, "Disclosure of Lobbying Activities;" and
- (iii) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(iv) Submission of this certification and disclosure is a prerequisite for making or entering into this Contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

**7. Certification Of Nonsegregated Facilities (applicable to contracts exceeding \$10,000)**

- (a) The offeror's attention is called to the clause entitled "Equal Employment Opportunity" of Section I of the Terms and Conditions of the Contract.
- (b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, 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.
- (c) By the submission of this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the Contract.
- (d) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will--
  - (i) Obtain identical certifications from the proposed subcontractors;
  - (ii) Retain the certifications in its files; and
  - (iii) Forward the following notice to the 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 Non-segregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment 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).

**NOTE:** The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

### **8. Clean Air And Water Certification (applicable to contracts exceeding \$100,000)**

The offeror certifies that (check the block applicable):

check the appropriate box

- (a) Any facility to be used in the performance of this Contract [ ] is [ ] is not listed on the Environmental Protection Agency List of Violating Facilities;
- (b) The offeror will immediately notify the PHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the offeror proposes to use for the performance of the Contract is under consideration to be listed on the EPA List of Violating Facilities; and,
- (c) The offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

### **9. Drug-Free Workplace Certification**

By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$10,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, other than a contract for the procurement of commercial items, it will - no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed -

- (a) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is

prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

- (b) Establish an ongoing drug-free awareness program to inform such employees about:
  - (i) The dangers of drug abuse in the workplace;
  - (ii) The Contractor's policy of maintaining a drug-free workplace;
  - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Provide all employees engaged in the performance of the Contract with a copy of the statement required by subparagraph (a) of this provision;
- (d) Notify such employees in writing in the statement required by subparagraph (a) of this provision that, as a condition of continued employment on the Contract resulting from this solicitation, the employee will:
  - (i) Abide by the terms of the statement; and
  - (ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than five (5) calendar days after such conviction;
  - (iii) Notify the Contracting Officer in writing within ten (10) calendar days after receiving notice under Subdivision (d)(2) of this provision, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and
  - (iv) Within thirty (30) calendar days after receiving notice under subdivision (d)(2) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
    - (1) Take appropriate personnel action against such employee, up to and including termination; or
    - (2) Require such employee to satisfactorily participate 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.

- (e) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (a) through (d) of this provision.
- (f) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.
- (g) In addition to other remedies available to the PHA, the certifications required by this provision concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under title 18, United States Code, section 1001.

## **10. PHA Fraud Policy**

The offeror certifies that he/she has read the following PHA Fraud Policy, will adhere to it, and is aware of the penalties for failure to comply:

- (a) For purposes of this policy, and in concurrence with the PHA Office of Audit Compliance (OAC) mandate, “fraud” includes: fraudulent activity by any person employed by or contracting with the PHA; bribery and official corruption; theft of PHA funds, property or benefits; and serious breaches of integrity. Some examples of activities covered include: extortion/extortion attempts by PHA employees or officials; acceptance or solicitation of bribes; submission of fraudulent documents; employee collusion with contractors or vendors; material misstatements of facts in contracts or documents, relating to services performed or materials provided; bid rigging; and disclosure of confidential information.
- (b) Covered Parties
  - (i) All PHA employees and officials.
  - (ii) All contractors, subcontractors, vendors and consultants doing business with the PHA -

**NOTE: Contractors are responsible for compliance with this Fraud Policy by their subcontractors.**

- (iii) All owners of housing who receive subsidies from PHA.

(iv) Any other individual or entity doing business with or seeking to do business with the PHA.

(c) Responsibilities

(i) All “covered” parties” must report any type of fraud when they become aware of such activity, and they must cooperate fully with the OAC in any ensuing investigation.

(ii) “Fraud” must be reported to a representative of the PHA’s OAC, 2013 Ridge Avenue, Philadelphia, PA 19121, (215) 684-8300.

(iii) Management officials will support the Fraud Policy and ensure compliance with this policy by persons they supervise, and/or individuals and business entities that they deal with.

(d) Penalties For Failure To Report Fraud

Penalties for failure to timely report fraud can include: loss of contract and/or debarment from future contracts by contractors, subcontractors, vendors, and any other individual or entity doing business with the PHA; and other action deemed appropriate by PHA officials.

(e) Confidentiality

All information reported to the OAC is confidential, and the identity of those reporting information to the OAC will be protected.

(f) Whistle Blower Protection

(i) Anyone who provides information to the OAC may not be discharged, demoted or otherwise subject to any adverse action as a result of reporting wrongdoing. Any person who retaliates against someone for reporting wrongdoing may be subject to civil liabilities and penalties.

(ii) PHA Management supports the position that “whistle blowers” will be protected and commended for their honesty and dedication to the PHA.

(g) Authorized Negotiators

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals:  
(list names, titles, and telephone numbers of the authorized negotiators):

complete if applicable

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**11. Offeror's Signature**

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the information contained in the foregoing certifications and representations is true and correct.

\_\_\_\_\_  
Signature & Date

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Title

**NON-COLLUSIVE AFFIDAVIT**  
*(required if Certification & Representation Clause 5(e) is selected)*

State of \_\_\_\_\_

County of \_\_\_\_\_

\_\_\_\_\_, being first sworn, deposes and says: That he/she is \_\_\_\_\_ (president, sole owner, partner, etc.) of \_\_\_\_\_ (firm name) the party making the forgoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that no one conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of the affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, to secure any advantage against the Philadelphia Housing Authority or any person interested in the proposed contract: and that all statements in said proposal or bid are true.

By \_\_\_\_\_

Title \_\_\_\_\_  
(Affix Corporate Seal if required)

Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_.

My commission expires \_\_\_\_\_.  
(Notary Seal Required)

**PHILADELPHIA HOUSING AUTHORITY  
AFFIRMATIVE ACTION SECTION**

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## **PART I: GENERAL**

### **1.1 POLICY**

As a requirement for receiving federal funds, the U.S. Department of Housing and Urban Development ('HUD') requires that the Philadelphia Housing Authority (hereinafter 'Authority') implement an Affirmative Action Contract Compliance Program under Executive Order Nos. 11246, 12432, 12138, 11625, to promote the development of certified Minority Business Enterprises (hereinafter 'MBE'), and certified Women Business Enterprises (hereinafter 'WBE'). This program will also comply with the requirements of Titles VI and VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 d & e, as amended, and HUD Regulations 24 C.F.R. § 85.36(e).

The Authority by this policy affirms its commitment to maximize the utilization of certified MBEs/WBEs in Authority contracts and subcontracts. To this end, the Authority will provide such assistance as will be needed to achieve this goal.

The aim of this policy is to discover and deter any present discrimination by bidders who seek contracts with the Authority. MBE/WBE minimum participation goals (hereinafter 'MPGs') shall be used as a screening device to determine whether discrimination may have occurred. Minimum goals of MBE/WBE participation will be indicated for each contract in the bid documents, and will be based upon availability of certified MBEs/WBEs. The MPGs are a means of determining whether or not a contractor shall be presumed to have engaged in discrimination. If the information furnished is below the MPGs, the bid package shall be subject to further review, in accordance with criteria set forth in this policy, to determine whether or not there was actual discrimination.

### **1.2 APPLICABILITY**

This program shall apply to all nonexempt contracts awarded by the Authority which are connected with federally funded or federally assisted programs. Exemptions are more fully described in Part VI of this program.

### **1.3 DEFINITIONS**

- A. AAO: Affirmative Action Officer, Director of the Authority's Affirmative Action Department.**
- B. Authority: Any department, division, unit or office of the Philadelphia Housing Authority, including the Board of Commissioners.**

- C. **BIDS:** A quotation, proposal, solicitation or offer by a Bidder or a Proposer to provide labor, materials, equipment, supplies or services to the Authority.
- D. **BIDDER:** Any person or entity that submits a quotation, bid or proposal to provide Labor, materials, equipment, supplies or services to the Authority.
- E. **BIDDER/PROPOSER AFFIRMATIVE ACTION IMPLEMENTATION PLAN:** Schedule of Participation and Binding Commitments Form and other documents submitted by Bidder /Proposer to support their Affirmative Action Plan. These submissions become an enforceable provision of the awarded contract.
- F. **CERTIFIED:** Any business that has, after application to a recognized certifying agency, been determined to be owned, controlled and managed by minority(s), women, or disadvantaged person(s).
- G. **CERTIFYING AGENCY:** Federal, state, local governmental or quasi-governmental agencies or authorities authorized by law to certify MBE/WBE's qualifications in terms of ownership, management and control.
- H. **COMPLIANCE:** A contractor or subcontractor who performs under an Authority contract in accordance with this Affirmative Action Contract Compliance Program shall be determined to be in compliance.
- I. **CONTRACTS:** Any Authority contract which is covered by this Affirmative Action Contract Compliance Program, whether competitively bid or negotiated, including contracts in the following areas:
  - 1. **VENDING:** for Material, Equipment, Services, and Supplies.
  - 2. **CONSTRUCTION:** for all types of construction; and
  - 3. **PERSONAL AND PROFESSIONAL SERVICES.**
- J. **DEBARMENT:** Exclusion from Authority contracting or subcontracting for a reasonable, specified period of time commensurate with the seriousness of the offense or failure or the inadequacy of performance.
- K. **DISCRIMINATION:** Any action or pattern of disparate treatment experienced in the solicitation for bids/proposals or in the award of a contract/subcontract because of: Race, Color, Sex, National Origin, Disability, or Religion.
- L. **EXEMPTION:** Any bid/proposal in which the minimum participation goal(s) have been excluded.

- M. JOINT VENTURE:** A contractual partnership between the prime contractor and a certified minority-owned business enterprise and/or a certified women-owned business enterprise, which must be executed prior to the submittal of the bid/proposal.
- N. MINIMUM PARTICIPATION GOAL (MPG):** The level of participation of certified MBE/WBEs set by the AAO. MPGs shall reflect the availability of certified MBE/WBEs in the subject area, and the level, which should be attained absent discrimination. MPGs are stated as a percentage. A Bidder/Proposer will not be rejected as not responsible solely because they fail to reach the MPGs.
- O. MINORITY BUSINESS ENTERPRISE (MBE):** A business enterprise certified as a Minority Owned Business that is owned, managed and controlled by one or more socially or economically disadvantaged person(s). Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such person(s) include, but are not limited to: Blacks/African-Americans, Puerto Ricans and other Hispanics, American Indians/Native Americans, Eskimos, Aleuts, Hasidic Jews, Asian Pacific Americans, and Asian Indians.
- P. OWNED, MANAGED AND CONTROLLED:** Possession of at least fifty-one percent (51%) of the ownership of the business. Management and control of the daily for profit business operation or nonprofit organization held by one or more persons who are classified as a member of a minority group or a woman, as defined herein.
- Q. PRIME CONTRACTOR/CONTRACTOR/BIDDER OR PROPOSER:** Any person or business entity that is a party or potential party to a contract with the Authority.
- R. RESPONSIBLE:** The Bidder's/Proposer's submissions of a written commitment to meet or exceed the MPG set forth in the bid, or in the absence of meeting or exceeding the MPG, a full and complete explanation therefore in accordance with this program.
- S. RESPONSIVENESS:** The Bidder's/Proposer's submission of (in addition to the submission of any other required documentation), documentary evidence of certified MBE/WBEs who have been contacted and who are to be used on the contract. Documentation must be submitted with the bid/proposal and failure to submit evidence of "Best Efforts" and binding commitments will result in rejection of the bid/proposal and a determination made of non-responsiveness.

- T. WOMEN BUSINESS ENTERPRISE:** A business enterprise certified as a Woman Owned Business that is owned controlled and managed by a woman.

#### **1.4 CERTIFICATION – A LEGITIMATE MBE/WBE**

- A. To ensure that only businesses which are owned, managed and controlled in both form and substance by MBE/WBEs are participating in the Authority's Affirmative Action Contract Compliance Program. MBE/WBE businesses, including joint ventures and nonprofit organizations, must be certified by a governmental entity authorized to certify such enterprises.
- B. MBE/WBE certification shall not be determinative of a Bidder's or Contractor's financial or technical ability to perform specified work. The Authority reserves the right to evaluate the Bidder's/Proposer's, Contractor's or Subcontractor's ability to satisfy financial, technical or other criteria separate and apart from certification before or after bid opening.
- C. The Authority recognizes that certified MBE/WBEs might be de-certified by the certifying governmental entity. Any business, which has been de-certified, shall not participate in the Authority's Affirmative Action Contract Compliance Program.
- D. The Authority reserves the right, if there is cause, to refuse a certification provided by a certifying agency.

#### **1.5 SUBSTITUTION OF CERTIFIED MBE/WBEs**

Commitments to certified MBE/WBE firms made at the time of bidding must be maintained throughout the term of the contract, unless a change in commitment is pre-approved by the Authority's AAO. If at any time after a bid/proposal is opened by the Authority, a Contractor is unable to meet the obligations of the Contractor's Affirmative Action implementation Plan, as indicated on the Schedule of Participation and Binding Commitments Form, such Contractor may be required to present for approval to the AAO a substitute implementation Plan.

#### **1.6 GUIDELINES FOR JOINT VENTURING**

Joint Venture partnership(s) with either a certified MBE or a certified WBE must meet the following criteria in order to receive credit towards the minimum participation goals (MPGs):

- A. The MBE/WBE partner(s) must be certified by a governmental entity authorized by law to certify such enterprises prior to bid/proposal submittals.

- B.** The MBE/WBE partner(s) must be substantially involved in all phases of the contract including, but not limited to, the performance, with its own work force, a portion of the onsite work, and administrative responsibilities such as bidding, planning, staffing and daily management.
- C.** The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interests).
- D.** If the certified partner(s) is a MBE, its participation may be credited to the extent of the partner's ownership interest in the joint venture, however, it will still be required to meet the WBE goal or vice versa.

## **1.7 CONTRACT LANGUAGE**

Authority contracts subject to these procedures shall include language providing that compliance with MBE/WBE provisions have been met, and cooperation with the Authority on contractual matters is material to the Authority's contract. The successful Bidder's/Proposer's Affirmative Action Plan submissions will become an enforceable provision of the contract. Failure to comply with the Authority's Affirmative Action Contract Compliance Program or otherwise comply with the Bidder's/Proposer's submissions, may be grounds for a finding of contractor non-responsibility.

## **1.8 AMENDMENT**

These procedures may be amended as may be necessary. Any amendment shall become effective upon the approval and adoption by the Philadelphia Housing Authority Board of Commissioners.

## **1.9 SEVERABILITY**

The provisions of these procedures are separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of these procedures, or the invalidity of the application thereof to any person or circumstances shall not affect the validity of the remainder of the procedures or their application to other persons.

## **PART II: RESPONSIBILITIES**

### **2.1 AFFIRMATIVE ACTION OFFICER**

**The AAO reports directly to the General Manager of Contracts/Procurement for the Philadelphia Housing Authority. The AAO is authorized and shall perform functions, which include, but are not limited to:**

- A. Establish or modify minimum participation goals (MPGs) for Authority contracts based upon the dictates of market availability of certified MBE/WBEs and/or applicable laws and regulations to perform various elements of the contract.**
- B. The AAO will engage in the review of bid/proposal packages to ensure that the packages provide maximum opportunity for certified MBE/WBE participation and shall have the authority to recommend approval or disapproval of any bid package to ensure compliance with this program.**
- C. Attend all Pre-bid and Pre-construction meetings.**
- D. Monitor and audit contractor's performance including site and business office visits to ascertain whether the contractor has discriminated or has practices which have had a disparaging or discriminating effect, and to determine that the certified MBE/WBE is performing its function in accordance with authorized standard industry practices.**
- E. Maintain participation records and prepare periodic reports that include, but are not limited to the following data:**
  - 1. A summary of contracts awarded specifying the percentage of participation.**
  - 2. A survey comparing past and current contract participation goals of certified businesses.**
  - 3. Any relevant recommendation that may enhance efficiency and effectiveness of the Affirmative Action Contract Compliance Program.**
- F. For Comprehensive Improvement Modernization Program (hereinafter "CIAP") funded contracts, prepare and report the Authority's MBE/WBE progress on HUD Form #2516 – Contract and Subcontract Activity Report for Public and Indian Housing Programs.**
- G. Receive, document and evaluate complaints relative to violations of the Affirmative Action Contract Compliance Program.**

**H. Report findings of discrimination, in writing, to the Executive Director through the General Manager of Contracts/Procurement.**

**I. Interact with city, state, and federal agencies involved in the administration of certified MBE/WBE programs.**

## **2.2 CONTRACTING OFFICER**

**A. SOLICITATION –** The Authority's Contracting Officer shall actively solicit certified MBE/WBEs to compete for contracting opportunities as Prime/General Contractors.

**B. REPORTS –** The Affirmative Action Officer shall gather information required to prepare various reports that detail:

- 1. The original total dollar amount of each contract awarded according to the categories of vending, construction, personal services and professional services, including the total dollar amount of each contract resulting from any contract amendment or change orders subsequent to award.**
- 2. The original total dollar amount of each contract awarded to each certified MBE/WBE as a Prime/General Contractor, as well as the actual dollar amount of each contract including contract amendments or change order(s).**

## **2.3 COORDINATION WITH CONTRACT CONTROL SPECIALISTS**

**A. The AAO shall coordinate with the Contract Control Specialist for information as may be required in the performance of the AAO function. Such information may include, but is not limited to:**

- 1. Explanation of the elements of the work to be performed under a contract.**
- 2. A reasonable estimate of costs, type(s) and quantity of supplies, materials and equipment required for performance under a contract.**
- 3. A reasonable estimate of employees and their classifications required for performance under a contract.**

**B. The Authority's Contracting Officer shall also do the following, with or without coordination with the AAO:**

- 1. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by certified MBE/WBEs.**

- 2. Establish delivery schedules, where the requirement permits, which encourage participation by certified MBE/WBEs.**
- 3. Use the services and assistance of the Small Business Administration and Minority Business Development Agency of the Department Commerce.**

## **PART III: BIDDER/PROPOSER AFFIRMATIVE ACTION**

### **IMPLEMENTATION PLAN**

#### **3.1 GENERAL REQUIREMENTS**

**Each Bidder's/Proposer's Affirmative Action implementation Plan shall include the following:**

- A. The business name, address, contact person, telephone number, certification number, certifying agency(s), and Internal Revenue Service Employer's Identification Number (E.I.N.).**
- B. A description of the work that will be performed by each designated contractor/subcontractor.**
- C. The date of solicitation, contact person's name, whether contact was by phone or mail, and if a quote was received from the designated MBE/WBE.**
- D. Confirmation of commitment made as to the level of certified MBE/WBE participation described as a percentage of the total base contract proposal dollar amount and percentage of commitments.**
- E. If no commitment is made to meet or exceed the stated MPG<sub>s</sub>, the Bidder/Proposer must provide documentation that the following steps were taken:**
  - 1. Requested and attended a briefing and information meeting with the Authority staff designed to explain the Affirmative Action Contract Compliance Program pertaining to certified MBE/WBE participation.**
  - 2. Advertised in general circulation, media, trade association publications, and minority/women-focused media concerning subcontracting and supplier opportunities.**
  - 3. Participated in Authority sponsored conferences and seminars designed specifically for the promotion of the Authority's Affirmative Action Contract Compliance Program pertaining to certified MBE/WBE participation.**
  - 4. Notified certified MBE/WBEs and solicited their participation in the reference contract. The names, addresses, telephone numbers, and contact persons of the firms notified must be provided.**
  - 5. Provided complete information about plans, specifications, and requirements of the contract to interested certified MBE/WBEs.**

6. **Made reasonable efforts to negotiate with certified MBE/WBEs for specific sub-bids. All such contacts must be fully documented. If a sub-bid of a certified MBE/WBE is rejected, the Bidder/Proposer must document and explain the reason for the rejection. Rejection based solely on the initial response from a certified MBE/WBE will not be sufficient to establish non-discrimination and “Best Efforts” toward compliance.**
- F. **Attest to the fact that the certified MBE/WBE will perform work, which is necessary and required for contractor to fulfill their obligation under the applicable contract and specification.**

## **PART IV: CONSTRUCTION CONTRACT AFFIRMATIVE ACTION IMPLEMENTATION PLAN**

### **4.1 MINIMUM PARTICIPATION GOALS**

**The AAO shall set MPG<sub>s</sub> for Specifications/Contracts/Request for Proposals.**

**(MODERNIZATION FUNDS)**

**The MPG<sub>s</sub> which have been set by the AAO as of the date of implementation of this program, are and shall be, until or unless they are revised, as follows:**

<b><u>MBE</u></b>	<b><u>WBE</u></b>
20%	10%

- A. A Bidder/Proposer will not be rejected as non-responsive solely because they fail to reach the MPG<sub>s</sub>. However, a contractor may be considered not responsive if the MPG<sub>s</sub> are not met and no acceptable justification is offered for a lack of compliance.**
- B. When a firm/company contracts with an enterprise that is both a certified MBE and a certified WBE, credit toward the MPG will be received for one category only. Bidders/Proposers shall indicate in their plan which category is being credited.**
- C. A certified MBE/WBE firm bidding as a prime/general contractor shall still be required to submit an Affirmative Action Implementation Plan. However, where the primary contract is awarded to either a certified MBE or a certified WBE the Authority shall count the entire dollar amount of the contract towards meeting the MPG.**
- D. Certified MBE/WBE subcontractors shall perform at least seventy-five percent (75%) of the cost of the subcontract, not including cost of materials, with their own employees. This provision shall not apply to suppliers or distributors.**

### **4.2 CONSTRUCTION CONTRACT BIDDER/PROPOSER RESPONSIVENESS**

- A. Bidders/Proposers must submit information indicating certified MBE/WBE firms, which have been solicited, quotes that have received (solicited and unsolicited), and firms to which commitments have been made. Documentation of such solicitations, quotes, and commitments must be submitted concurrently with the bid/proposal. Failure to submit the required information is sufficient cause for rejection of the bid as non-responsive.**
- B. Mailings to large numbers of certified MBE/WBEs which are intended to provide notice of a contractor's interest in bidding on a construction**

**contract will not be deemed solicitation, but will be treated as informational notification only.**

- C. A Bidder/Proposer should only solicit certified MBE/WBE subcontractors, manufacturers or supplies whose work, materials or supplies are within the project scope and are related to project line items or portions thereof, and which the Bidder/Proposer reasonable believes it will choose to subcontract with or purchase from.**
- D. Bidders/Proposers failing to meet the MPG must submit concurrently with the bid submissions, the information required under Part III, Section E, of the Affirmative Action Contract Compliance Program.**

#### **4.3 CONSTRUCTION CONTRACT BIDDER/PROPOSER RESPONSIBILITY**

The submittals of each Bidder/Proposer are subject to review to determine whether the Bidder/Proposer has discriminated in the selection of manufacturers, subcontractors or suppliers, or has taken affirmative steps in the utilization of certified MBE/WBEs to ensure compliance with this policy. If a Bidder/Proposer has met the MPG, the Authority's Contracting Officer may presume that the Bidder has not discriminated in its selections. A Bidder/Proposer who fails to meet the MPG shall satisfactorily provide the documentation set forth in Part III, Section E, of this program. The AAO shall perform a review of the submitted documentation to determine whether discrimination has occurred. If appropriate, the AAO may invoke the provisions of Part VII, Section 7.3 (Willful Non-Compliance) and recommend sanctions contained therein.

**PART V: VENDING AND PERSONAL/PROFESSIONAL  
SERVICES CONTRACT AFFIRMATIVE ACTION  
IMPLEMENTATION PLAN**

**5.1 MINIMUM PARTICIPATION GOALS**

**The AAO shall set MPG's for Specifications/Contracts/Request for Proposals.**

**(MANAGEMENT FUNDS)**

**The MPG's which have been set by the AAO as of the date of implementation of this program, are and shall be until or unless they are revised, as follows:**

<b>MBE</b>	<b>WBE</b>
10%	10%

- A. A Bidder/Proposer will not be rejected as non-responsive solely because they fail to reach the MPG's. However, a contractor may be considered non-responsible if the MPG's are not met, and they are not in compliance with Part III, Section E.
- B. When a firm/company contracts with an enterprise that is both a certified MBE and a certified WBE, credit toward the MPG will be received for one category only. Bidders/Proposers shall indicate in their Plan which category is being credited.
- C. A certified MBE/WBE firm bidding as a prime contractor shall still be required to submit an Affirmative Action Implementation Plan. However, where the primary contract is awarded to either a certified MBE or a certified WBE the Authority shall count the entire dollar amount of the contract towards meeting the MPG.

**5.2 VENDING AND PERSONAL/PROFESSIONAL SERVICES CONTRACT  
AFFIRMATIVE ACTION BIDDER/PROPOSER RESPONSIVENESS**

- A. Bidders/Proposers must complete and submit with the bid/proposal, certified MBE/WBE Schedule of Participation and Binding Commitments Form. Failure to submit these forms with the bid/proposal may result in the bid being rejected as non-responsive.
- B. Mailings to large number of certified MBE/WBE's which are intended to provide notice of a contractor's interest in bidding on a vending and personal/professional service contract will not be deemed solicitation, but will be treated as informational notification only.
- C. A Bidder/Proposer should only solicit certified MBE/WBE subcontractors, vendors, manufacturers or suppliers whose services, materials or supplies are

**within the scope of work bidde on, and which the Bidder/Proposer reasonably believes it will choose to subcontract with or purchase from.**

- D. Bidders/Proposers failing to meet the MPG must submit concurrently with the bid submissions the information required under Part III, Section E, of the Affirmative Action Contract Compliance Program.**

**5.3 VENDING AND PERSONAL/PROFESSIONAL SERVICE CONTRACT  
AFFIRMATIVE ACTION BIDDER/PROPOSER RESPONSIBILITY**

The submittals of each Bidder/Proposer are subject to review to determine whether the Bidder/Proposer has discriminated in the selection of manufacturers, subcontractors or suppliers, or has taken affirmative steps in the utilization of certified MBE/WBEs to ensure compliance with this policy. If a Bidder/Proposer has met the MPG, the Authority's Contracting Officer may presume that the Bidder/Proposer has not discriminated in its selections. A Bidder/Proposer who fails to meet the MPG shall satisfactorily provide the documentation set forth in Part III, Section E, of this program. The AAO shall perform a review of the submitted documentation to determine whether discrimination has occurred. If appropriate, the AAO may invoke the provisions of Part VII, Section 7.3 (Willful Non-Compliance) and recommend sanctions contained therein.

## **PART VI: EXEMPTIONS**

### **6.1 EXEMPTED CONTRACTS**

**The Authority recognizes that in certain limited circumstances, compliance with this Affirmative Action Contract Compliance Program will not be feasible, nor in the best interest of the Authority or its residents. With the approval of the Executive Director, Contracting Officer and the Affirmative Action Officer, the following contracts may be exempted:**

- A. A vending contract, for equipment, materials, services and supplies where the total dollar amount of the contract is less than Ten Thousand Dollars (\$10,000.00).**
- B. A construction contract where the total dollar amount of the contract is less than Ten Thousand Dollars (\$10,000.00).**
- C. A professional or personal services contract where the total dollar amount of the contract is less than Ten Thousand Dollars (\$ 10,000.00).**
- D. Any public exigency or emergency contract where the nature of the emergency will not allow for a delay, which would occur from competitive solicitation.**

## PART VII: COMPLIANCE REVIEW

### **7.1 STANDARDS FOR REASONABLE CAUSE: AFTER A CONTRACT HAS BEEN AWARDED**

- A. The AAO may find that a Contractor is not in compliance with contract requirements for reasons, which include, but are not limited to:**
  - 1. Documentation of information furnished by the contractor, which does not demonstrate that, a certified MBE/WBE is performing the work actually contracted.**
  - 2. Failure or refusal by a contractor to furnish information requested by the Authority.**
  - 3. Discovery of information, which is contrary to compliance information previously submitted by the contractor.**
  - 4. Contractor's failure, neglect or refusal to pay certified MBE/WBE subcontractor(s) for completed and approved work within seven (7) working days after payment by the Authority to the contractor.**
  - 5. Other facts discovered by the Authority's AAO.**
- B. Whenever the AAO determines it has reasonable cause to believe that a contractor is not in compliance or that the contractor has discriminated against certified WBE/MBEs, the AAO shall promptly prepare a written notice to be signed by the Contracting Officer and sent by certified mail to the contractor. The notice shall state the reasons for the AAO's belief that the contractor is not in compliance and/or has discriminated against certified MBE/WBEs. In response to said notice, the contractor shall be required to show cause within seven (7) working days why it should not be found:**
  - 1. In breach of contract, or**
  - 2. To have discriminated against certified MBE/WBEs.**
- C. Based upon information supplied by the contractor, if any, and other documentation and/or information, and with the approval of the General Manager of Contracts/Procurement, the AAO shall proceed expeditiously with an investigatory, evaluative review to clarify the allegations. In the event that the allegations are found to be valid by the AAO, said officer shall notify the Contracting Officer and Executive Director who shall send notification of such finding(s) to the contractor setting forth the appropriate remedial action.**

## **7.2 GOOD FAITH NON-COMPLIANCE**

- A. In cases where the AAO has cause to believe that a contractor, acting in good faith, has failed to comply with the provisions of the procedures, the AAO with the assistance and involvement of the Authority's Contracting Officer shall attempt to resolve the non-compliance through conciliation and persuasion.**
- B. In conciliation, the contractor must satisfy the Authority that they have made their "Best Efforts" to achieve the agreed upon participation goals by certified MBE/WBEs. "Best Efforts" on the part of the contractor include:**
  - 1. Entering a contractual relationship with the designated MBE/WBE in a timely manner, and fulfilling all contractual requirements.**
  - 2. Notifying both the certified MBE/WBEs subcontractor and the Authority's AAO of any problems in a timely manner.**
  - 3. Requesting assistance from the AAO in resolving any problems with certified MBE/WBEs.**
  - 4. Making every reasonable effort to assist the certified MBE/WBE in the performance of its contract with the Authority.**

## **7.3 WILLFUL NON-COMPLIANCE**

- A. In cases where the AAO has cause to believe that any Bidder, Proposer, or Contractor has failed to comply with the provisions of these procedures, said officer shall be empowered to conduct an investigation subsequent to written direction of the General Manager of Contracting/Procurement.**
- B. After affording the Bidder, Proposer or Contractor notice and an opportunity to be heard, the AAO will be authorized to recommend sanctions for each violation of these procedures. Such sanctions may include, but are not limited to:**
  - 1. Declare the bid or proposal as non-responsible and the Bidder/Proposer ineligible to receive the award of the contract or any other future contracts.**
  - 2. Suspension from doing business with the Authority for a set period of time.**
  - 3. Debarment.**
  - 4. Withholding of payments under the contract.**
  - 5. Other relief the AAO deems necessary, proper, and in the best interest of the Authority.**

## **PART VIII: APPEALS**

### **8.1 STANDARDS OF APPEAL: AFTER THE CONTRACT HAS BEEN AWARDED**

**A Bidder, Proposer, or Contractor may appeal a decision pursuant to any action taken under the provisions of Part VII: Compliance Review, by filing a written grievance with the AAO. An appeal by the Bidder, Proposer or Contractor under this section shall not stay the AAO's finding(s).**

### **8.2 WRITTEN GRIEVANCE**

- A. The grievance shall set forth the reasons supporting it. The grievance shall be filed within ten (10) working days of the date that the finding, recommendation, proposal or other relief becomes effective. Failure to grieve in a timely manner shall be deemed a waiver of said right or breach of the conditions of this policy.**
- B. If a person requests a hearing at the time the grievance is filed, the AAO shall schedule a hearing within seven (7) working days of the date the grievance is filed, unless the person requesting a hearing agrees to a continuance provided it is not contrary to best interest of the Authority to permit the delay. The AAO shall notify in writing, the person filing the grievance, of the date, time and place of the hearing.**
- C. If a hearing is not requested, the AAO shall make a determination and notify the contractor within (7) working days.**

### **8.3 HEARING**

**Five (5) working days prior to a scheduled hearing, the AAO shall issue and serve a written notice, together with a copy of the grievance as filed, to all persons named in the grievance. Such persons may be required to appear before a hearing panel at the date, time and place specific in the notice.**

#### **8.3.1 PANEL**

- A. The Executive Director shall designate a panel of three (3) or more individuals, one (1) of whom will be a member of the Affirmative Action Oversight Committee, to preside at such hearing, and to render a written decision on the grievance.**
- B. A party may request testimony from any person when it is determined that such testimony may assist in the resolution of the grievance. All proceedings will be transcribed and a record shall be maintained.**
- C. Any person or heads of departments named in the grievance may file a written answer to the grievance, and may appear at such hearing in person.**
- D. The panel shall not be bound by the strict rules of evidence prevailing in the courts of law or equity.**

### **8.3.2 TESTIMONY**

- A. The testimony taken at the hearing shall be under oath.**
- B. The parties have a right to request that the notes of testimony be transcribed.**
- C. Testimony shall be taken by the panel and the person filing the grievance and person (s) and heads of departments named in the grievance shall be given an opportunity to be heard.**

### **8.4 DECISION**

- A. Within twenty (20) working days after the conclusion of the hearing, the panel shall render a written decision as to the validity of the grievance, as well as an appropriate recommendation.**
- B. A copy of the decision shall be sent by U.S. certified mail, returned receipt requested, to the grievant.**

### **8.5 EFFECT OF A PENDING DECISION**

Pending a decision by the panel, the Philadelphia Housing Authority's Executive Director may stay any action pertaining to the grievance, if such stay is determined to be in the best interest of the Authority.

## **PART IX: AFFIRMATIVE ACTION OVERSIGHT COMMITTEE**

**The Philadelphia Housing Authority Board of Commissioners shall appoint an Affirmative Action Oversight Committee to monitor and evaluate the implementation and administration of the Affirmative Action Contract Compliance Program. The Oversight Committee shall have as its membership, at least one (1) member of the Board of Commissioners, Executive Director, General Counsel, and other individuals from the Authority's community at large. The Committee will prepare periodic reports for the Board and address related issues as requested by the Board of Commissioners.**

**SCHEDULE OF PARTICIPATION**  
**"CERTIFICATION OF BEST EFFORTS"**

Specification Number: \_\_\_\_\_  
 Bidder: \_\_\_\_\_

Name \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_

MBE/WBE	Detailed Description of Work	M/WBE PARTICIPATION		
		DOLLAR AMOUNT \$	PERCENT	
			MBE%	WBE%
NAME:  ADDRESS:  PHONE NO.:  IRS ID#:  CERT. NO.:  CERT. AGCY:	YES    NO <input type="checkbox"/> <input type="checkbox"/> Will any of this work be subcontracted by the M/WBE? (See Note #3) <input type="checkbox"/> <input type="checkbox"/> Will bidder assist M/WBE with any of this work? (See Note #4)			
NAME:  ADDRESS:  PHONE NO.:  IRS ID#:  CERT. NO.:	YES    NO <input type="checkbox"/> <input type="checkbox"/> Will any of this work be subcontracted by the M/WBE? (See Note#3) <input type="checkbox"/> <input type="checkbox"/> Will bidder assist M/WBE with any of this work? (See Note #4)			
<b>DUPLICATE THIS FORM IF YOU ARE LISTING MORE THAN TWO (2) M/WBE SUBCONTRACTORS</b> <b>PLEASE NOTE:</b> <ol style="list-style-type: none"> <li>1. A binding commitment must have been achieved with the M/WBE for the detailed work and dollar amount stated on this form.</li> <li>2. M/WBE listed above must be certified by a certifying agency in order to be credited towards the required minimum participation goals.</li> <li>3. If the M/WBE intends to subcontract more than 10% of the work detailed on this form, such subcontractors, description of work, and dollar amount must be listed on a duplicate copy of this form.</li> <li>4. If the bidder plans to supply the M/WBE with materials, personnel or equipment, such assistance must be listed on this form in the block marked "Detailed Description of work."</li> <li>5. Any change to this schedule (the named M/WBE, description of work, or dollar amount) must be approved in advance by the Affirmative Action Officer (AAO).</li> </ol>				

**SCHEDULE OF BINDING COMMITMENTS WITH MINORITY AND WOMEN OWNED BUSINESSES  
“CERTIFICATION OF BEST EFFORTS”**

**Specification Number:** \_\_\_\_\_

**Name of Bidder:** \_\_\_\_\_

**\*Bidder's are hereby notified that all firms listed above will be contacted to verify their level of participation.**

**Signature:** \_\_\_\_\_

Name: \_\_\_\_\_

**Title:** \_\_\_\_\_

## **DOCUMENTATION OF BEST EFFORTS**

**Specification  
Number:**\_\_\_\_\_

**Name  
of Bidder:**\_\_\_\_\_

### **CERTIFIED MINORITY/WOMEN OWNED BUSINESSES UNAVAILABLE TO PARTICIPATE IN THE CONTRACT.**

**List below the name of all certified minority/women owned businesses whose interest in the contract were solicited, but who were unavailable to work on this project or were unable to prepare a quote. State the reasons for the unavailability of certified minority/women owned businesses. In order to facilitate verification and avoid delays in contract awards, it is requested that each business listed below be identified on the "Affidavit of Unavailability of Certified Minority/Women Owned Businesses" (Page K-28).**

**INFORMATION AND ASSISTANCE PROVIDED TO CERTIFIED MINORITY/WOMEN OWNED BUSINESSES.**

**Include names and addresses of all certified minority/women owned businesses that you provided with plans, specifications, and requirements of the contract. Detail all assistance you provided to interested certified minority/women owned businesses and all your efforts at negotiation for specific sub-bids, and include any advertisements soliciting their participation.**

**I do hereby attest that I have exerted best efforts, but have been unable to obtain the required minimum participation goals for the following reason: \***

---

**Company Name**

---

**Specification Number**

---

**Name (Signature)**

---

**Title**

**\*You may attach supplemental pages and documentation if necessary.**

**AFFIDAVIT OF UNAVAILABILITY OF CERTIFIED  
MINORITY/WOMEN OWNED BUSINESSES**

**Specification  
Number:** \_\_\_\_\_

**Name  
of Bidder:** \_\_\_\_\_

I, \_\_\_\_\_, do hereby attest that

I was offered an opportunity to bid on the contract for:

\_\_\_\_\_  
**(Description of Contract)**

by \_\_\_\_\_  
**(Name of Prime Bidder)**

but was unavailable to participate/unable to prepare a quote (strike inappropriate phrase) for the following reasons:\*

\_\_\_\_\_  
**Name of Certified Minority/Women Owned Business**

\_\_\_\_\_  
**Address and Phone Number**

\_\_\_\_\_  
**Signature of Principal of Certified  
Minority/Women Owned Business**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Certifying Agency and Number**

\*You may attach supplemental pages and documentation if necessary.

## **GUIDELINES FOR JOINT VENTURING**

### **BETWEEN A PRIME CONTRACTOR AND A CERTIFIED MINORITY/WOMAN-OWNED BUSINESS ENTERPRISE**

If a Prime Contractor has made arrangements to enter into a joint venture partnership with either a certified MBE or WBE, the following criteria must be met in order to receive credit towards the minimum participation goals (MPGs):

- A. The MBE/WBE partner(s) must be certified by a governmental entity authorized by law to certify such enterprises prior to bid/proposal submittals.
- B. The MBE/WBE partner(s) must be substantially involved in all phases of the contract including, but not limited to, the performance, with its own work force, a portion of the on-site work, and administrative responsibilities such as bidding, planning, staffing and daily management.
- C. The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interests).
- D. If the certified partner(s) is a MBE, its participation may be credited to the extent of the partner's ownership interest in the joint venture. However, it will still be required to meet the WBE goal or vice versa.

## **JOINT VENTURE QUESTIONNAIRE**

**If you intend to receive credit towards the minimum participation goals (MPGs) by entering into a joint venture partnership with a certified MBE/WBE, you must complete this questionnaire and submit it along with your bid/proposal.**

**1. NAME OF THE JOINT  
VENTURE**

---

**2. ADDRESS OF THE JOINT VENTURE**

---

---

**3. TELEPHONE NUMBER (      )**

---

**4. CONTACT PERSON & TITLE**

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**5. IDENTIFY BELOW ALL OF THE FIRMS WHICH COMPRIZE THE JOINT VENTURE PARTNERSHIP(S). IDENTIFY WHETHER THE FIRM IS A CERTIFIED MBE/WBE. INCLUDE CERTIFICATION NUMBER AND AGENCY WHERE APPLICABLE, AND INDICATE THE PERCENTAGE OF JOINT OWNERSHIP INTEREST.**

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

---

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

---

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

6. DESCRIBE, IN DETAIL, THE BUSINESS PURPOSE OF THE JOINT VENTURE PARTNERSHIP AND THE ROLE OF EACH FIRM IN THE JOINT VENTURE. INCLUDE INFORMATION REGARDING DAILY MANAGEMENT, BIDDING, PLANNING, ON-SITE WORK, AND STAFFING. ATTACH SUPPLEMENTAL PAGES IF NECESSARY.
7. ATTACH A COPY OF THE JOINT VENTURE AGREEMENT.

Any changes to the joint venture agreement attached hereto or to this questionnaire, including changes in any of the arrangements described herein, must be approved in advance by the Authority's Affirmative Action Officer.

Each undersigned does hereby attest that the foregoing statements are true and correct.

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NAME OF FIRM

NAME OF FIRM

---

SIGNATURE OF FIRM'S  
AUTHORIZED AGENT

---

SIGNATURE OF FIRM'S  
AUTHORIZED AGENT

---

PRINTED NAME

PRINTED NAME

---

TITLE

TITLE

---

DATE

DATE

# **IMPORTANT NOTICE**

## **CHANGES TO SECTION 3 REGULATIONS**

**Section 3 rules have been modified to concentrate solely on total worker hours worked with 25% of those hours being worked by Section 3 and Targeted Section 3 Workers to achieve compliance (see definitions within this section);**

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### **HOWEVER,**

**It is understood that not all contracted vendors will be able to meet this benchmark. With that understanding, HUD has provided for “Qualitative Efforts” to meet the spirit of the regulations and to provide meaningful assistance to those persons for which Section 3 is intended. It is important that all vendors make every effort to maximize the hiring of Section 3 workers, but if those documented efforts cannot achieve compliance, Qualitative Efforts may be factored into the overall Section 3 proposed plan and will be strongly considered in the resultant scoring when recommending proposals for award. If you determine that your organization might not achieve the 25% compliance benchmark, please include Qualitative Efforts in your submission to clarify your intent and qualify your plan.**

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# **PHILADELPHIA HOUSING AUTHORITY**

## **SECTION K**

### **SECTION 3 COMPLIANCE**

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# **PHILADELPHIA HOUSING AUTHORITY**

## **SECTION 3 PROGRAM**

### **I. INTRODUCTION TO SECTION 3**

#### **A. SECTION 3 OVERVIEW**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (“Section 3”) and 24 CFR Part 75 requires that, to the greatest extent feasible, employment and other economic opportunities generated by certain financial assistance from the U.S. Department of Housing and Urban Development (HUD) be directed to low- and very low-income residents, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low income persons, as defined in 24 CFR 75.

#### **B. APPLICABILITY**

This Policy shall cover all contracts, including memoranda of understanding, for the provision of services to PHA funded through Section 3 Public Housing financial Assistance (defined at 24 CFR § 75.3(a)(1)), which includes cooperative purchasing agreements and contracts for professional services (such as audit and accounting, brokerage, architecture, and legal), maintenance, repairs, labor, landscaping, modernization projects, employee training, PHA resident education and services, or construction. This Policy does not apply to contractors who only furnish materials or supplies.

### **II. BIDDER/PROPOSER INSTRUCTIONS ON COMPLETING SECTION 3 FORMS**

All Bidders/Proposers should review the Section 3 Policy, contained herein, and complete Form 1, located in Appendix A of this section. Depending on the answers given on Form 1, the Bidder/Proposer may be directed to complete additional forms for the bid/proposal, which should be included in the bid response/proposal.

### **III. SECTION 3 POLICY**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (“Section 3”) and 24 CFR Part 75 requires that, to the greatest extent feasible, employment and other economic opportunities generated by certain financial assistance from the U.S. Department of Housing and Urban Development (HUD) be directed to low-and very low-income residents, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low income persons, as defined in 24 CFR 75.

#### **A. Statement Of Purpose**

1. This Section 3 portion of the Procurement Policy shall provide direction to the Philadelphia Housing Authority (PHA) for maximizing employment and other economic opportunities for low- and very low-income individuals and business concerns through certain HUD-funded contracts, pursuant to 24 CFR Part 75. PHA will establish appropriate procedures and processes to implement this Section 3 portion of the Policy. This Policy does not require employing a Section 3 Worker that does not meet the qualifications of the position to be filled or cannot fulfill the contract requirements.

#### **B. Applicability**

1. This Policy shall cover all contracts, including memoranda of understanding, for the provision of services to PHA funded through Section 3 Public Housing financial assistance (defined at 24 CFR § 75.3(a)(1)), which includes cooperative purchasing agreements and contracts for professional services (such as audit and accounting, brokerage, architecture, and legal), maintenance, repairs, labor, landscaping, modernization projects, employee training, PHA resident education and services, construction. This Policy does not apply to contractors who only furnish materials or supplies.

#### **C. Definitions**

1. PHA incorporates into this Policy all of the definitions contained in 24 CFR 75; definitions most applicable to PHA’s Policy are listed below.
  - a. *Contractor:* Any entity that enters into a contract or agreement to perform work generated by the expenditure of Section 3 Covered Assistance, or for work in connection with a Section 3 Covered Project.
  - b. *HUD Youthbuild Programs:* Programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and

- training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.
- c. *Qualitative Efforts:* Where an entity fails to meet the quantitative numerical benchmark(s) set forth by HUD, certain qualitative efforts may be accepted to demonstrate compliance with the Section 3 requirements. Qualitative Efforts can include, but are not limited to: contributing to PHA's Section 3 Fund; outreach efforts to generate job applicants who are Targeted Section 3 workers; direct on-the-job training (including apprenticeships); indirect training such as arranging for, contracting for, or paying tuition for, off-site training technical assistance to help Section 3 workers; and outreach efforts to identify and secure bids from Section 3 business concerns.
  - d. *Section 3 Business Concern:* A business concern is defined as a business entity formed in accordance with State law, and which is licensed to the extent required under any State, county or municipal law to engage in the type of business activity for which it was formed, and which meets at least one of the following criteria, documented within the last six-month period:
    - i. It is at least 51 percent owned and controlled by low- or very low-income persons;
    - ii. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or,
    - iii. It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
  - e. *Section 3 Clause:* The contract provisions set forth in 24 CFR 75. The Section 3 Clause is set forth in Section III of this Policy.
  - f. *Section 3 Covered Assistance:*
    - i. Public and Indian housing development assistance provided pursuant to section 5 of the U.S. Housing Act of 1937 (1937 Act);
    - ii. Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act;
    - iii. Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act; or
    - iv. Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:

- A. Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
  - B. Housing construction; or
  - C. Other public construction project (which includes other buildings or improvements, regardless of ownership).
- g. *Section 3 Covered Contract:* 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. Section 3 Covered Contracts do not include contracts awarded under HUD's procurement program that are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter1). Section 3 Covered Contracts also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 Covered Contract.
- h. *Section 3 Covered Project:* The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards); other public construction that includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.
- i. *Section 3 Fund:* A fund held and administered by or under the direction of PHA to be expended for the purpose of supporting training programs for Section 3 Residents to develop skills necessary or useful to: 1) fulfill all or a portion of the requirements of any of PHA's Section 3 Covered Contracts; 2) support or create Section 3 Business Concerns; or 3) sell to PHA, directly or through Section 3 Business Concerns, supplies and materials commonly procured by public housing authorities. Such training programs shall include, without limitation, apprentice or pre-apprenticeship programs developing skills involved in building trades, maintenance, landscaping and security and scholarships, including to pay the cost of participation of Section 3 Residents in any available apprenticeship programs for the building trades, such as plumbing, carpentry, electrical, etc., or continuing education. The financial assistance may be used for the payment of tuition, union initiation fees, dues, tools, equipment and work clothing, or any other related expense.
- h. *A Section 3 worker:* is any worker who currently fits, or when hired within the past five years fit<sup>1</sup>, at least one of the following categories, as documented:

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<sup>1</sup> Per HUD's new Section 3 rule, the five year period began on 11/30/2020 and is the earliest date that can be used for a new hire.

1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD (see Question 6 of this part I of these FAQs, below);
  2. The worker is employed by a Section 3 business concern (see Question 5 of part I, below); or
  3. The worker is a YouthBuild participant.
- j. *A Section 3 targeted worker:* for Public Housing Financial Assistance projects is a Section 3 worker who:
1. Is employed by a Section 3 business concern; or
  2. Currently fits, or when hired fit<sup>2</sup>, at least one of the following categories, as documented within the past five years:
    - (i) A resident of public housing or Section 8-assisted housing;
    - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
    - (iii) A YouthBuild participant.
- k. *Subcontractor:* Any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 Covered Assistance, or arising in connection with a Section 3 Covered Project.
- l. *Safe Harbor:* A safe harbor is a provision of a statute or a regulation that specifies that certain conduct will be deemed not to violate a given rule.
- m. *Labor Hour:* Hours worked by all workers employed with public housing financial assistance in a PHA fiscal year.

#### D. PHA Responsibilities

1. PHA will comply with Section 3 in its operations. This responsibility includes:
  - a. Notifying Section 3 Residents and Section 3 Business Concerns about jobs and contracts generated by Section 3 Covered Assistance so that residents may seek jobs and businesses may submit bids/proposals for available contracts;

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<sup>2</sup> Id.

- b. Notifying potential contractors of the objectives of Section 3 and ways in which each contractor can assist PHA in meeting its goal;
  - c. Facilitating the training and employment of Section 3 Residents and the award of contracts to Section 3 Business Concerns; and
  - d. Documenting the action that the PHA takes to comply with the Section 3 requirements, the results of the actions, and impediments, if any.
- 2. PHA also has a responsibility to ensure compliance of contractors and subcontractors. PHA will:
  - a. Notify contractors of their responsibilities under Section 3 including, but not limited to, incorporating the Section 3 Clause in contract documents;
  - b. Refrain from entering into contracts with contractors that are in violation of the regulations at 24 CFR Part 75;
  - c. Respond to complaints made to PHA by Section 3 worker or targeted worker or Section 3 Business Concerns that PHA, a contractor or subcontractor, is not in compliance with 24 CFR Part 75; and
  - d. Cooperate with HUD in obtaining the compliance of contractors and subcontractors when allegations are made that PHA's contractors and subcontractors are not in compliance with the regulations at 24 CFR Part 75.

## E. Goals

1. Goals for Employment for all contractors under Section 3 covered contracts:
  - i. The Section 3 goals require that Section 3 workers comprise no less than 25% of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. Of that 25%, no less than 5% of the total number of labor hours worked must be worked by Targeted Section 3 WorkersThe above benchmark notice will be updated by the Secretary every three (3) years.
2. Preferences Regarding Small Purchases: For contracts that do not exceed \$20,600, procured in accordance with the Small Purchase Procedures found in this Procurement Policy, and where the Section 3 Covered Contract is to be awarded based on price, the contract will be awarded to the responsible source with the lowest responsive quotation.
  - a. Where the Section 3 Covered Contract in an amount not to exceed \$20,600 is to be awarded based on factors other than price, a request for quotations will be prepared in accordance with PHA's Procurement Policy, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation will

identify all factors to be considered, including price or cost. The rating system will provide for a range of 10 to 15 percent of the total number of available rating points to be set aside for the provision of preference for Section 3 Business Concerns. The percent of the preference points shall be determined by the head of PHA's Supply Chain Management Department or his or her designee upon due consideration of the effect of any preference upon the ability to obtain responsive quotations. The contract or purchase order will be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

3. Preferences Regarding Procurement By Request For Proposals (RFP): For Section 3 Covered Contracts awarded through an RFP process, the RFP shall identify all evaluation factors (and their relative importance) to be used to rate proposals. One of the evaluation factors shall address both the preference for Section 3 Business Concerns and the acceptability of the proposing contractor's strategy for meeting the Section 3 greatest extent feasible requirement. This factor shall provide for a range of 10 to 15 percent of the total number of available points to be set aside for the evaluation of these two components. The percent of the preference points shall be determined by the head of PHA's Supply Chain Management Department or his designee upon due consideration of the effect of any preference upon the ability to obtain responsive proposals.
  - a. The component of this evaluation factor designed to address the preference for Section 3 Business Concerns must establish a preference for these business concerns in the order of priority ranking as set forth in this policy.
  - b. With respect to the second component (the acceptability of the strategy for meeting the greatest extent feasible requirement), the RFP shall require disclosure of the contractor's strategy for meeting the greatest extent feasible requirement to comply with the Section 3 employment. A determination of the contractor's responsibility will include the submission of an acceptable strategy for meeting the greatest extent feasible requirement. The contract award shall be made to the responsible firm whose proposal is determined most advantageous considering price and all other factors specified in the RFP.
4. Preferences Regarding Contracts to be Awarded Under a Sealed Bid Process: Where the Section 3 Covered Contract is to be awarded under a sealed bid process, PHA will utilize the procedure and the method for providing preference for Section 3 Business Concerns described in 24 CFR Part 75.
5. Safe Harbor Benchmarks: The Section 3 Covered Contract is in compliance with safe harbor if the vendor "met or exceeded the Section 3 benchmarks AND followed the required prioritization of effort. If the vendor can't meet, or hasn't met, the quantitative benchmarks prioritization of effort, they must provide acceptable evidence that they have made qualitative efforts to assist low and very low income persons with

employment and training opportunities. The evidence must be approved by PHA representative prior to execution.

#### F. Safe Harbor Compliance

Contractor will be considered to have complied with the Section 3 requirements and met the safe harbor benchmarks, if they certify that they followed the required prioritization of effort and met or exceeded the Section 3 benchmarks, absent evidence of the contrary. Prior to the beginning of work, contractors and subcontractors will be required to certify that they will follow the required prioritization of effort for Section 3 workers, Targeted Section 3 workers, and Section 3 business concerns as outlined below in section G. After completion of the project, on the Section 3 Cumulative Report, contractors and subcontractors will be required to certify that they followed the prioritization of effort requirements. **If the contractor and subcontractor does not meet the safe harbor requirements, they must provide acceptable evidence that they have made qualitative efforts to assist low and very low-income persons with employment and training opportunities.**

1. HUD holds PHA accountable for compliance with Section 3 requirements: Therefore, contractor reporting requirements will be incorporated into all Section 3 Covered Contracts and contractors shall be contractually required to respond to requests for information from PHA for compliance verification throughout the life of the contract. PHA's Section 3 Program and/or PHA's Office of Audit and Compliance may also conduct random compliance inspections at the site of a Section 3 Covered Project.
2. Achievement of Numerical Goals: In the absence of evidence to the contrary, if a contractor meets the minimum numerical goals listed in Section III.E of this Policy, above, the contractor is considered to have complied with its Section 3 requirements under this Policy.
3. Burden of Proof: Section 3 requires compliance with its minimum numerical requirements unless PHA and its contractors demonstrate that such compliance was not feasible following reasonable efforts. Contractors must demonstrate, through compliance reports and forms established by PHA, that they have met the numerical goals stated in Section III.E of this Policy. When a contractor is unable to meet the objectives stated in Section III.E of this Policy, the contractor has the burden of satisfactorily demonstrating why it was not feasible to meet the numerical goals. Such justification may include impediments encountered despite actions taken. In the event a contractor does not meet the numerical goals for Section 3 worker hours, PHA requires that a contractor demonstrate that it has provided other sufficient qualitative efforts as further evidence of its attempt to provide Section 3 related qualitative benefits. See Section III F.4 Policy.
4. Qualitative PHA Options: Except in the case of Section 3 Covered Contracts under \$20,600, PHA requires each contractor pursuant to any Section 3 Covered Contract to perform qualitative efforts in each of the following circumstances:

- a. The Section 3 worker labor hours, including Targeted Section 3 Workers, on the project failed to achieve 25 percent of the total labor hours performed on the project;
  - b. The Targeted Section 3 worker labor hours on the project failed to achieve 5 percent of the total labor hours performed on the project.
5. **Cooperation:** Vendor will cooperate fully with Section 3 compliance reviews by PHA. Vendor will promptly correct or work with subcontractors to correct any deficiencies identified by PHA during such reviews.
  6. **Safe Harbor Benchmarks:**
    - i. 25% or more of all labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year must be Section 3 workers (including Targeted Section 3 Workers).
    - ii. 5 % or more of all labor hours worked by all workers employed in PH financial assistance in the PHA's or other recipient's fiscal year must be Targeted Section 3 workers.

Section 3 labor Hours / Total labor hours = 25% AND Targeted Section 3 labor hours / Total labor hours = 5%

#### G. Qualitative Efforts

Under the PHA's Section 3 Program, contractors and subcontractors should make best efforts to provide employment and training opportunities to Section 3 workers in the priority order listed below. Contractors and subcontractors will be required to certify that they will and have made best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

- 1) To residents of the public housing projects for which the public housing financial assistance is expended;
  - 2) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
  - 3) To participants in Youth Build programs; and
  - 4) To low and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended
1. The following qualify as qualitative efforts to fulfill the requirements of Section III F.4 of this policy:
    - a. Contribute to a Section 3 Fund created by PHA in the amount of three percent (3%) of the Section 3 Contract amount (see Definitions, Section III, C.i ).

- b. Provide training or apprenticeship opportunities to the greatest extent feasible per the prioritization of efforts above.
- c. Provide services to Section 3 workers supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
- d. Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- e. Provide technical training (workshops or one-on-one support) to help Section 3 business concerns understand and bid on contracts.
- f. Divide subcontracts into smaller jobs to facilitate participation by Section 3 business concerns.
- g. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- h. Provide Contracting Opportunities, to the greatest extent feasible, to Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project and participants in Youth Build programs.

All proposed potential qualitative efforts must be reviewed and approved by PHA prior to execution of any agreement. Each contractor shall fill out the Section 3 forms that are part of the solicitation which shall be reviewed by PHA to ensure the proposed plan is substantive and meaningful for the Section 3 workers and targeted workers. The Section 3 forms shall provide a framework for contractors to provide proposed plans for qualitative efforts in a manner that may be evaluated and graded by PHA's review committee. If the contractor cannot meet the labor hour requirements and does not provide a Qualitative Efforts plan that is acceptable to PHA, or if the vendor's plan fails to achieve its proposed results (to be determined at PHA's sole discretion), the contractor shall at a minimum contribute to a Section 3 Fund created by PHA in the amount of three percent (3%) of the expended contract amount.

## 2. Data Collection and Reporting

- a. Monthly Reporting
  - i. Contractors are required to submit monthly activity reports to PHA's Section 3 Vendor Portal, or by any other tracking software system utilized by PHA, by the 1st day of each month.
- b. Annual Reporting

1. Once a project is completed, contractors must submit a final Section 3 cumulative report for the program year in PHA's Section 3 Vendor Portal.
2. Upon the completion of a project, PHA's Office of Audit and Compliance will conduct a final review of the project's overall performance and compliance.
3. PHA will submit an annual report to HUD documenting the compliance with Section 3 in such form and with such information as HUD may request. The report will be submitted in compliance with HUD required deadlines. HUD will be provided access to all records, reports and other documents or items PHA maintains to demonstrate compliance with Section 3 requirements.

## H. Section 3 Complaint Process

1. Complaint Right
  - a. Any Section 3 Resident and any representative who is not a Section 3 Resident, but who represents one or more Section 3 Residents, and any Section 3 Business Concern or any individual representative of one or more Section 3 Business Concerns, may bring concerns of noncompliance with Section 3 to HUD in conformity with complaint procedures detailed in 24 CFR 75. Complaints are to be filed with the Assistant Secretary for Fair Housing and Equal Opportunity.
2. Resolution of Complaints
  - a. If the Assistant Secretary sends a complaint to PHA for resolution, PHA will review the complaint promptly. If PHA believes that the complaint lacks merit, PHA will notify the Assistant Secretary, in writing, of this recommendation with supporting reasons, within thirty (30) days of the date of receipt of the complaint. The determination that a complaint lacks merit is reserved to the Assistant Secretary.
  - b. If PHA determines that there is merit to the complaint, PHA will have sixty (60) days from the date of receipt of the complaint to resolve the matter with the complainant. At the expiration of the sixty (60) day period, PHA must notify the Assistant Secretary in writing whether a resolution of the complaint has been reached. If resolution has been reached, the notification must be signed by both PHA and the complainant and must summarize the terms of the resolution reached between the two parties
  - c. Any request for an extension of the sixty (60) day period by PHA must be submitted in writing to the Assistant Secretary, and must include a statement explaining the need for the extension.

- d. If PHA is unable to resolve the complaint within the sixty (60) day period (or more if extended by the Assistant Secretary), the complaint shall be referred to the Assistant Secretary for handling in accordance with 24 CFR 75.

### 3. Intimidatory or Retaliatory Acts Prohibited

- a. PHA will not intimidate, threaten, coerce, or discriminate against any person or business because the person or business has made a complaint, testified, assisted or participated in any manner with an investigation, proceeding, or hearing regarding a complaint.

### 4. Judicial Relief

- a. Nothing in this policy precludes a Section 3 Resident or Section 3 Business Concern from exercising the right to seek redress directly through judicial procedures.

## I. Section 3 Clause

All Section 3 Covered Contracts shall include the following clauses (A-G, below), referred to as the Section 3 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, 12U.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 75, 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 75 regulations.
- C. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, 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 75. 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 75.
- D. 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

75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

- E. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- F. 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 performed under this contract. Section 7(b) requires that 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).

## **APPENDIX A:**

### **SECTION 3 COMPLIANCE FORMS 1 – 7**

**PHILADELPHIA HOUSING AUTHORITY**  
**SECTION 3 VENDOR COMMITMENT**  
**(FORM 1)**

**INSTRUCTIONS:** All vendors MUST complete this Section 3 commitment form as part of their bid/proposal, or to amend a commitment after a contract has been successfully awarded. Please answer the questions, **AS PROMPTED**. This form must be signed when completed. If additional forms are required, it will be noted in the appropriate section of this Form 1.

**1. IS YOUR BUSINESS A QUALIFIED SECTION 3 BUSINESS CONCERN?**

YES                             NO

**If the answer is “Yes,” check at least one reason below, review and initial the acknowledgement section in Question 2, sign this Form, and complete Form 2 and provide appropriate documentation.**

- \_\_\_\_\_ It is at least 51 percent owned and controlled by low- or very low-income persons;
- \_\_\_\_\_ Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or,
- \_\_\_\_\_ It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

**If the answer is “No”, review and initial the acknowledgement section in Question 2, proceed to Question 3 and sign this Form.**

**2. YOUR BUSINESS IS EXPECTED TO MEET PHA’S SAFE HARBOR BENCHMARKS BELOW.**

- 1) The Section 3 worker labor hours on the project must equal at least 25 percent of the total labor hours performed on the project, and shall consist of the following:;

Section 3 Labor Hours / Total Labor Hours = 20%

Targeted Section 3 Labor Hours / Total Labor Hours = 5%

\_\_\_\_\_ **I ACKNOWLEDGE AND UNDERSTAND THE ABOVE SAFE HARBOR BENCHMARKS AND THAT MONTHLY FILING OF LABOR HOURS TO PHA WILL BE REQUIRED**

**IN THE EVENT THAT YOUR ORGANIZATION FAILS TO MEET THE ABOVE SAFE HARBOR BENCHMARKS, YOU WILL RECEIVE CREDIT FOR THE PERCENTAGE OF HOURS THAT QUALIFIED AS SECTION 3 WORKED HOURS; HOWEVER YOU WILL BE REQUIRED TO MAKE UP THE SAFE HARBOR DEFICIT BY PROVIDING QUALITATIVE EFFORTS THAT MAY, WITH APPLIED CREDIT, EQUAL TO UP TO 3% OF THE CONTRACT VALUE.**

**3. PHA QUALITATIVE EFFORTS AND OTHER ECONOMIC OPPORTUNITIES – THIS SECTION MUST BE COMPLETED BY ALL BIDDERS/PROPOSERS WHO ARE NOT A SECTION 3 BUSINESS CONCERN**

Vendors who are successfully awarded a contract with PHA are expected to provide proof of best efforts to achieve the Safe Harbor Benchmarks for worked hours. In addition, vendors are required to plan for and conduct Qualitative Efforts to provide Other Economic Opportunities to Section 3 and Targeted Section 3 workers in the priority order listed below if they are unable to meet the Section 3 Safe Harbor Benchmarks.

- 1) Residents of the public housing projects for which the public housing financial assistance is expended;
- 2) Residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
- 3) Participants in YouthBuild programs; and
- 4) Low- and very low-income persons residing within the metropolitan area in which the assistance is expended.

The following qualify as qualitative efforts to fulfill the requirements of not meeting PHA's Safe Harbor Benchmarks, subject to PHA pre-approval. At least one option must be selected.

- A. Contributions to the Section 3 Fund that PHA will use for job training and development, continuing education, and Section 3 business development.

YES                             NO

If your answer is "Yes," your business must contribute up to 3% of the total contract invoice value minus that proportional amount of credit applied for Section 3 hours worked.

- B. Your business will provide training or apprenticeship opportunities to those who qualify as low and very low income workers?

YES                             NO

If "Yes", please complete the TRAINING/APPRENTICESHIP QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- C. Your business will connect Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare)

YES                             NO

If "Yes", please complete the WORK READINESS QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- D. Your business will provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.

YES                             NO

If "Yes", please complete the POST SECONDARY ASSISTANCE QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- E. Provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts.

YES       NO

If "Yes", please complete the TECHNICAL TRAINING FOR SECTION 3 BUSINESSES QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHER ECONOMIC OPPORTUNITIES document attached below.

- F. Divide subcontracts into smaller jobs that result in participation by Section 3 businesses.

YES       NO

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- G. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

YES       NO

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- H. Develop, stabilize or expand a Section 3 Business(es)?

YES       NO

If your answer is "Yes," please provide a detailed plan for review and approval by the PHA Section 3 Program for one of the following prior to execution of any agreement:

	Assist with the formation of Section 3 Joint Business Venture
	Hire or subcontract with a Section 3 Businesses for work unrelated to this contract, if successfully awarded
	Provide mentorship, continuing education, and training opportunities that benefit Section 3 Businesses

By signing below, the vendor acknowledges and understands that it has reviewed PHA's Section 3 compliance requirements and agrees to comply with the selected commitments indicated above. Vendor attests that the proof supplied and representations made for Section 3 status are accurate, to the best of its knowledge and belief and understands that any intentional submission of false information shall be a material breach of the contract. To the extent that the completion of this form is contingent upon future information, for example price negotiations, request for specific services, etc., the undersigned hereby affirms and agrees to fully adhere in good faith to the PHA Section 3 compliance goals. The undersigned acknowledges and affirms responsibility for completion and submission of this form PRIOR TO AWARD of a contract and acknowledges that failure to submit this form will render this submission non-responsive.

Attested to by:

---

Authorized Officer Signature

Date

---

Print Name and Title

Company/Business Name

---

Address  
Number

Phone

Email:

---

Proposal or Contract Number

---

**EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE**

## PHILADELPHIA HOUSING AUTHORITY

### SECTION 3 VENDOR COMMITMENT

#### DESCRIPTION OF QUALITATIVE EFFORTS & OTHER ECONOMIC OPPORTUNITIES

**INSTRUCTIONS:** All bidders/proposers who are NOT a Section 3 business concern (defined on Section 3 Vendor Commitment Form 1) MUST complete a Section 3 commitment form as part of their bid/proposal, or to amend a commitment after a contract has been successfully awarded.

Vendors must meet the safe harbor benchmarks for Section 3 Labor Hours and Targeted Section 3 Labor Hours listed on Vendor Commitment Form 1. In the event that your organization fails to meet these safe harbor benchmarks, you will receive credit for the percentage of hours that qualified as Section 3 worked hours; however, you will be required to make up the safe harbor deficit by providing “qualitative efforts” that may, with applied credit, equal to up to 3% of the contract value.

“Qualitative efforts” are activities by PHA contractors the help public and assisted housing residents obtain jobs or benefit from other economic opportunities, now or in the future. Vendors commit to certain types of qualified efforts when completing Vendor Commitment Form 1, and PHA Resident Programs & Partnership (RPP) reviews all proposed qualitative efforts. RPP’s review looks for proposed activities that are likely to have a *significant, positive impact* on our resident or other low- and very low-income workers.

If your bid includes a commitment to any of the following qualitative efforts, you MUST complete this form

- **Training/Apprenticeship:** Provide training or apprenticeship opportunities to those who qualify as low- and very low-income workers – *answer questions on pages 2-4.*
  - “Training or apprenticeship opportunities” should qualify graduates/completers for jobs. If a program or service does not lead directly to employment, it is a “work readiness activity.”
- **Work Readiness:** Connect Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare) – *answer questions on page 5.*
- **Post-Secondary Assistance:** Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training – *answer questions on page 6.*
- **Technical Training for Section 3 Businesses:** Provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts – *answer questions on pages 7-8.*

The most important part of your proposal is how valuable your proposed qualitative efforts will be to PHA residents and other Section 3 workers. RPP is looking for proposals that can have an estimated value equal to 3% of the contract value, to help ensure that PHA’s vendors, and PHA, are meeting HUD’s Section 3 requirements. RPP will use the information you provide here to help determine if the value of the proposed qualitative efforts to PHA resident and other Section 3 workers will meet these requirements. Checking more boxes and proposing more efforts will not necessarily help or harm your proposal scoring –the *value* of your proposed activities is what matters.

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**TRAINING/APPRENTICESHIP QUESTIONNAIRE:**

Answer the following questions if you have committed to *provide training or apprenticeship opportunities to those who qualify as low- and very low-income workers*. Add more page(s) if necessary.

a. Name of proposed training:

b. Brief description of proposed training:

c. Who will provide the training?

*If the training will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Training is led by a shift supervisor with over 10 years' experience."*

*If the training will be provided externally by another organization, identify the provider. Example: "Community College of Philadelphia Welding Technology Program."*

d. What industry-recognized credentials do graduates/completers of the proposed training earn?

*An "industry-recognized credential" is defined\* as being exam-based, administered by third parties, supplemental to traditional postsecondary credentials, and sought or accepted by employers in an industry. Examples of industry-recognized credentials include Certified Information Systems Security Professional, Certified Medical Laboratory Assistant, and Certified Foodservice Management Professional.*

e.  Check this box if the proposed training is an Apprenticeship Program.

e.1. If the training is an Apprenticeship: What is the name of the program or program sponsor?  
*Example: IBEW Local 98 Apprentice Training for the Electrical Industry (ATEI)*

\* Definition from Mathematica/Bill & Melinda Gates Foundation "Education-to-Workforce Indicator Framework" (2022).

e.2. If the training is an Apprenticeship: To your knowledge, is this Apprenticeship registered?

- |   |   |                             |                          |
|---|---|-----------------------------|--------------------------|
| <input type="checkbox"/>                                  | <input type="checkbox"/>                      | <input type="checkbox"/>    | <input type="checkbox"/> |
| Yes, registered with the<br>PA Dept. of Labor & Industry  | Yes, registered with the<br>US Dept. of Labor | No, it is not<br>registered | I don't know             |
| <input type="checkbox"/> Other ( <i>please explain</i> ): |   |                             |                          |

f. Training results/outcomes:

*Examples: "Successful graduates/completers of this training have been hired by Employers X, Y and Z at starting wages of \$25/hour, with health insurance and other benefits." Hiring opportunities can be with your own organization, or with partner employers – but MUST be realistic and actually available to graduates of the program.*

g. Length of proposed training:

*Examples: "152 hours," or "8 weeks."*

h. Number of participant seats and proposed frequency of training:

*Example: "Up to 10 students twice a year, starting in February and July." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often training should be offered, such as "5 seats reserved in first class after work begins, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

i. Criteria for admission to proposed training:

*Examples: High school diploma or GED®, 8<sup>th</sup> grade reading level, pass an entrance exam (please identify exam), complete an application and an in-person interview. Most training programs or apprenticeships have some kind of admission criteria; a work readiness program may be open to anyone.*

j. Location of proposed training:

k. Is any specialized equipment required for training? Who is responsible for providing it?

*Example: "Vendor will provide materials and supplies. Participants must purchase uniforms and equipment."*

l. What is the estimated cost or value of the proposed training?

*Example: "Cost per participant is \$1,425."*

### **Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**

#### **WORK READINESS QUESTIONNAIRE:**

Answer the following questions if you have committed to *services supporting work readiness and retention (e.g., interview clothing, test fees, transportation, childcare, etc.).* Add more pages if necessary.

a. Brief description of proposed work-readiness services:

b. Who will provide the work-readiness services described above?

*If the service(s) will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Resume support is led by a hiring manager from our HR department."*

*If the service(s) will be provided externally, identify the source. Example: "We provide vouchers to obtain job interview attire through the Career Wardrobe."*

c. Results/outcomes:

*Examples: "Program completers will have a fully-refreshed resume and cover letter applicable to jobs in our sector."*

d. Availability:

*Example: "Up to 10 seats twice a year, starting in February and July." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often services should be offered, such as "5 seats reserved in first class after work begins, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

e. Location of proposed work-readiness program or service:

f. What is the estimated cost or value of the proposed work-readiness program or service?

*Example: "Cost of staff time per participant is \$125," or "Cost of clothing voucher is \$20."*

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**POST-SECONDARY ASSISTANCE QUESTIONNAIRE:**

Answer the following questions if you have committed to *provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.*

a. Brief description of proposed post-secondary assistance:

*Please identify all of the institutions you propose to assist students in accessing. Examples: "Community College of Philadelphia," or "Sheet Metal Workers' Local 19 Training Center." Describe how you are proposing to assist prospective students.*

b. Who will provide the work-readiness services described above?

*If the service(s) will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "FAFSA completion support is provided by our HR manager."*

*If the service(s) will be provided externally, identify the source. Example: "We provide vouchers for tutoring."*

c. Results/outcomes:

*Examples: "Participants will receive 100 hours of free tutoring in core academic subjects at the Community College of Philadelphia."*

d. Availability:

*Example: "Up to 5 students supported per semester." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often assistance should be offered, such as "We will work with the PHA Youth & Family Center to identify students who need additional support, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

e. What is the estimated cost or value of the proposed post-secondary assistance?

*Example: "Cost of staff time per participant is \$125," or "Value of each tutoring voucher is \$750."*

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities****TECHNICAL TRAINING FOR SECTION 3 BUSINESSES QUESTIONNAIRE:**

Answer the following questions if you have committed to *provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts.*

a. Name of proposed training:

b. Brief description of proposed training:

c. Who will provide the training?

*If the training will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Training is led by an accountant with over 15 years' experience."*

*If the training will be provided externally by another organization, identify the provider. Example: "The Enterprise Center's Procurement Assistance Program," or "Contractor X, an expert in public sector proposal development."*

d. Training results/outcomes:

*Examples: "Successful graduates/completers of this training will register an EIN and develop a business plan."*

e. Length of proposed training:

*Examples: "152 hours," or "8 weeks."*

f. Number of participant seats and proposed frequency of training:

*Example: “One round of training for up to four resident business owners.” If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often training should be offered, such as “We will provide speaking services to PHA’s Section 3 Entrepreneurship Program after work begins and quarterly for the duration of this contract, if we do not meet safe harbor hiring benchmarks for Section 3 workers.”*

g. Location of proposed training:

h. What is the estimated cost or value of the proposed training?

*Example: “Cost of staff time per resident business supported is \$3,000.”*



## SECTION 3 BUSINESS APPLICATION

Your business may qualify as a Section 3 Business Concern if it meets the criteria listed on Form 2 and you provide the required documentation. The benefits to qualifying as a Section 3 business are:

1. **Automatic Section 3 Compliance for your PHA Contract:** All of your employees' labor hours qualify as Section 3 Worker labor hours regardless of whether or not they meet Section 3 Worker income requirements. Please note that you will still be required to report all labor hours on a monthly basis.
2. **Potential Business Opportunities:** Section 3 businesses are listed on a PHA directory that is shared with businesses looking to work with Section 3 businesses for their Section 3 compliance obligations. You don't need to have a contract with PHA to be listed on this directory.

Please review Form 2 and see if you qualify!



## SECTION 3 BUSINESS CERTIFICATION FORM

(FORM-2)

**Instructions:** Enter the following information and select the criteria that applies to certify your business' Section 3 Business Concern status.

### Business Information

Name of Business (the "Company") \_\_\_\_\_

Address \_\_\_\_\_

Name of Business Owner \_\_\_\_\_

Phone Number of Business Owner \_\_\_\_\_

Email Address of Business Owner \_\_\_\_\_

### Preferred Contact Information

Name of Preferred Contact \_\_\_\_\_

Phone Number of Preferred Contact \_\_\_\_\_

Business Type:     Corporation     Partnership     Sole Proprietorship  
                     Other: \_\_\_\_\_

### 1. SELECT THE REASON(S) YOUR BUSINESS QUALIFIES AS A SECTION 3 BUSINESS

- You are a Section 3 Business because at least 51% of the business ownership is owned by Section 3 Workers. Section 3 Workers are those who are low or very-low income individuals who meet the income eligibility criteria as defined in Form 6.
- You are claiming a Section 3 Business because over 75 percent of the labor hours performed for the business over the prior three month period are performed by Section 3 Workers;
- You are a Section 3 Business because at least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.



## 2. ATTACH DOCUMENTATION NECESSARY TO QUALIFY AS A SECTION 3 BUSINESS

- Section 3 Business because at least 51% of the business ownership is held by Section 3 Worker:** Complete Form 4 and provide a Form 6 for each individual claiming Section 3 Worker status. Valid photo identification is required with each Form 6.
- Section 3 business because over 75 percent of the labor hours performed for the business over the prior three month period are performed by Section 3 Workers;** Complete Form 3 and provide a Form 6 for each employee who is alleged to be a Section 3 Worker. In the alternative, you may complete Form 7 in which you, as the employer, can certify that the employee's annual income is less than the threshold found in Form 6. Photo identification is required with each Form 6 and each individual listed on Form 7.
- Section 3 business because at least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.** You must provide: Complete Form 4 and provide a Form 6 for each individual claiming Targeted Section 3 Worker status. Valid photo identification is required with each Form 6.

### Employer Attestation

I affirm that the above statements (on the front side of this form) are true, complete, and correct to the best of my knowledge and belief. I understand that businesses who misrepresent themselves as Section 3 business concerns and report false information to the Philadelphia Housing Authority may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities. I hereby certify, under penalty of law, that the following information is correct to the best of my knowledge.

---

Authorized Officer Signature

Date

---

Print Name, Title, and Company Name

Proposal or Contract Number

\*Certification expires within six months of the date of signature

Information regarding Section 3 Business Concerns can be found at 24 CFR 75.5

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### **FOR ADMINISTRATIVE USE ONLY**

Form reviewed and approved by an Office of Audit and Compliance (OAC) Section 3 Compliance Representative:       YES       NO

Name of OAC Representative: \_\_\_\_\_

Signature of OAC Representative: \_\_\_\_\_ Date form reviewed: \_\_\_\_\_



**EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE**

**LIST OF ALL EXISTING FULL TIME EMPLOYEES (FORM 3)**

**Instructions:** Please provide the following information for all full time employees employed by the contractor/vendor, regardless of whether the employee is a Section 3 Worker or Targeted Section 3 Worker. (**Add additional sheets if necessary**)

DEVELOPER/CONTRACTOR: \_\_\_\_\_ PROPOSAL/CONTRACT #: \_\_\_\_\_

PROJECT NAME AND LOCATION:

DATE:

EMPLOYEE NAME/ADDRESS	SOCIAL SECURITY # (LAST 4 DIGITS)	DATE OF HIRE	JOB POSITION/CATEGORY/TRADE	INDIVIDUAL INCOME EARNED ON AN ANNUAL BASIS IS \$66,8500 OR LESS (Y/N) (AS OF 4/1/2025)	NUMBER OF HOURS WORKED OVER THE PAST 3 MONTHS	SECTION 3/TARGETED SECTION 3 WORKER (Y/N)



## SECTION 3 RESIDENT OWNED BUSINESS OWNERSHIP PROFILE

### (FORM 4)

**Instructions:** Please provide ownership information to establish that at least 51% of the business ownership is owned by Section 3 Workers OR at least 51 % of the business is owned and controlled by current Public Housing residents or residents who currently participates in a Section 8-assisted program. Section 3 Workers are those who are low or very-low income individuals who meet the income eligibility criteria as defined 24 CFR 75. All owners, partners, proprietors, and the like, must be listed, regardless of whether the individual is current Public Housing resident or participates in a Section 8 assisted program. Complete Form 4 and provide a Form 6 for each individual claiming Section 3 and Targeted Section 3 Worker status. Valid photo identification is required with each Form 6. **(Add additional sheets if necessary)**

DEVELOPER/CONTRACTOR: \_\_\_\_\_ PROPOSAL/CONTRACT #: \_\_\_\_\_

PROJECT NAME AND LOCATION: \_\_\_\_\_ DATE: \_\_\_\_\_

OWNER NAME/ ADDRESS AND COUNTY	SOCIAL SECURITY # (LAST 4 DIGITS)	DATE OF BIRTH	JOB TITLE	% OWNERSHIP INTEREST	INDIVIDUAL INCOME EARNED ON AN ANNUAL BASIS IS \$66,850 OR LESS (Y/N) (AS OF 4/1/2025)	PUBLIC HOUSING OR SECTION 8 PROGRAM PARTICIPANT (Y/N)





## **SECTION 3 JOB BANK JOB DESCRIPTION FORM (FORM 5)**

### **Philadelphia Housing Authority's Section 3 Job Bank:**

#### **Vendor Participation Requirements**

The Philadelphia Housing Authority (PHA) has created a Section 3 Job Bank on its website that lists all available Section 3 positions with PHA vendors. In addition to conducting independent Section 3 job recruitment, you are required to participate in the Section 3 Job Bank as part of your Section 3 compliance commitment. Participation in the Section 3 Job Bank requires the following:

- 1) Timely submission of job description(s);
- 2) Status updates on whether the position(s) has been filled;
- 3) Interviewing Section 3 Workers referred to the vendor by PHA; and
- 4) Timely submission of post-interview survey form or monthly referral reports for referred Section 3 Workers

Please complete the attached Section 3 Job Bank Job Description Form and return to [section3@pha.phila.gov](mailto:section3@pha.phila.gov). Vendors using the services of sub-contractors are responsible for ensuring subcontractors participate in the Section 3 Job Bank.

**PLEASE NOTE: Failure to participate in the Section 3 Job Bank may result in a notation in your Section 3 compliance record.**

### SECTION 3 JOB BANK JOB DESCRIPTION FORM (FORM – 5)

**INSTRUCTIONS:** Complete all applicable fields in this form. Any attachments/web links submitted in lieu of this form must include the information requested from this form in its entirety.

<b>Company Name:</b>	Click here to enter text	<b>Contract No(s):</b>	Click here to enter text
<b>Date Posted:</b>	Click here to enter a date.	<b>Willing to Train:</b>	Enter – Yes or No
<b>Position Start Date:</b>	Click here to enter a date.	<b>Position End Date:</b>	Click here to enter a date.
<b>Job Title:</b>	Click here to enter text.		
<b>Contract #:</b>	Click here to enter text.	<b>Job Category/Field:</b>	[i.e.: plumbing, legal, marketing]
<b>Location:</b>	Click here to enter text.	<b>Travel Required:</b>	Click here to enter text.
<b>Neighborhood(s):</b>	Click here to enter text.	<b>Number of Positions Available:</b>	Click here to enter text.
<b>Position Type:</b>	[i.e.: full-time, part-time, seasonal, job share, contract, intern]	<b>Fringe Benefits:</b>	Click here to enter text.
<b>Compensation:</b>	[i.e.: salary, wage/hourly ]		Click here to enter text.
<b>External posting URL:</b>	Click here to enter text.		
<b>Job Description</b>			

#### ROLE AND RESPONSIBILITIES

[Type a description of the essential roles, responsibilities and activities a candidate can expect to assume in this position, using the Details style. For bullets, use the Bulleted List style.]

[Bulleted list item]

[Bulleted list item]

[For a numbered list, use the Numbered List style.]

[Numbered List item]

[Numbered List item]

#### QUALIFICATIONS AND EDUCATION REQUIREMENTS

[Type a description of the work experience and educational background that a candidate should have when applying for position. Use the Details, Bulleted List, and/or Numbered List styles as needed.]

#### PREFERRED SKILLS

[Type a description of any additional skills or experience that would be considered favorable for a candidate who is applying for this position. Use the Details, Bulleted List, and/or Numbered List styles as needed.]

#### ADDITIONAL NOTES

[Type any additional notes if needed.]

#### FOR PHA OFFICE USE ONLY

<b>Reviewed By Section 3:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Reviewed By HR:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Approved By RPP:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Last Updated By:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter text.

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## PHILADELPHIA HOUSING AUTHORITY

### Section 3 Worker and Targeted Section 3 Worker Self-Certification Form (Form 6)

#### To be completed by Employee

The purpose of HUD's Section 3 program is to provide employment, training and contracting opportunities to individuals whose income is below certain thresholds, particularly those who are recipients of government assistance for housing or other public assistance programs. Your response is confidential, and has no effect on your employment.

#### Eligibility Guidelines for Section 3 Worker or Targeted Section 3 Worker Status

#### Definitions of Section 3 Worker and Targeted Section 3 Worker is as below.

**Section 3 Worker:** Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- (ii) The worker is employed by a Section 3 business concern.
- (iii) The worker is a YouthBuild participant.

**Targeted Section 3 Worker:** A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

- (1) A worker employed by a Section 3 business concern; or
- (2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
  - (i) A resident of public housing or Section 8-assisted housing;
  - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
  - (iii) A YouthBuild participant.

#### Instructions:

The below must be completed by an employee on a Section 3 project or Section 3 covered contract if they believe that they meet the above definition of a Section 3 Worker or a Targeted Section 3 Worker as defined in 24 CFR Part 75. A copy of employee's photo identification is required to be attached with this form.

Enter/select the appropriate information to determine your Section 3 Worker or Targeted Section 3 Worker status and return it to your employer.

Employee Name: \_\_\_\_\_

1. Are you a resident of the City of Philadelphia/Philadelphia County?  YES  NO
2. Are you a resident of any of the following county?  YES  NO

If Yes, please enter County \_\_\_\_\_

New Castle County, DE; Cecil County, MD; Burlington County, NJ; Camden County, NJ; Gloucester County, NJ; Salem County, NJ; Bucks County, PA; Chester County, PA; Delaware County, PA; Montgomery County, PA

3. I certify that my individual income earned on an annual basis for year 2025 or previous year 2024 is less than \$66,850  YES  NO
4. Were you hired in last five (5) years by your current employer?  YES  NO  
If Yes, what was your income for the year when hired \_\_\_\_\_

See <https://www.huduser.gov/portal/datasets/il.html> for the most recent and previous years HUD income limits.

If you answered Yes above, you are a Section 3 Worker. Please complete below to determine if you are Targeted Section 3 Worker as well.

5. Are you a resident of Philadelphia Housing Authority Public Housing or a Housing Choice Voucher Holder (Section 8)?  YES  NO  
If Yes, Please print Client ID#\_\_\_\_\_
6. Were you a YouthBuild Participant in last five (5) years?  YES  NO
7. Are you employed by a Section 3 Business Concern?  YES  NO  
If Yes, please print the name of current employer\_\_\_\_\_

#### **Employee Affirmation**

I certify that all of the information given above and below is true and correct to the best of my information and belief. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual which may be grounds for termination of training, employment, or contracts that resulted from this certification. I attest under penalty of perjury that my total individual income annually is as per the amount listed above on page 1. I understand that proof of this statement may be requested in the future.

Employee Address: \_\_\_\_\_

(Must be a street address and not a P.O. Box#) (Apt #), (City, State, Zip)

PHA Site Name (if applicable): \_\_\_\_\_ Phone # \_\_\_\_\_

Last four digits of social security number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date Hired: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

---

**NOTE: EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE FOR FIVE YEARS. ALL EMPLOYERS MUST SUBMIT THIS FORM FOR EVERY EMPLOYEE FOR WHOM SECTION 3 STATUS IS APPLICABLE ALONG WITH A COPY OF THE EMPLOYEE'S PHOTO IDENTIFICATION TO PHA'S LABOR STANDARDS OFFICER.**



## PHILADELPHIA HOUSING AUTHORITY

### **Section 3 Worker and Targeted Section 3 Worker Employer-Certification (Form 7) To be completed by Employer**

The purpose of HUD's Section 3 program is to provide employment, training and contracting opportunities to individuals whose income is below certain thresholds, particularly those who are recipients of government assistance for housing or other public assistance programs. Your response is confidential.

#### **Eligibility Guidelines for Section 3 Worker or Targeted Section 3 Worker Status**

##### **Definitions of Section 3 Worker and Targeted Section 3 Worker is as below.**

**Section 3 Worker:** Any worker who currently fits, or when hired within the past five years fit, at least one of the following categories, as documented:

- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- (ii) The worker is employed by a Section 3 business concern.
- (iii) The worker is a YouthBuild participant.

**Targeted Section 3 Worker:** A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

- (1) A worker employed by a Section 3 business concern; or
- (2) A worker who currently fits, or when hired fit, at least one of the following categories, as documented within the past five years:
  - (i) A resident of public housing or Section 8-assisted housing;
  - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
  - (iii) A YouthBuild participant.

See <https://www.huduser.gov/portal/datasets/il.html> for the most recent and previous years HUD income limits.



## PHILADELPHIA HOUSING AUTHORITY

### **Section 3 Worker and Targeted Section 3 Worker Employer-Certification (Form 7) To be completed by Employer**

#### **Employer Certification Requirements**

All employers must either provide separate Section 3 and Targeted Section 3 Self Certification Form 6's for each of their alleged Section 3 or Targeted Section workers OR submit this form along with the complete information in the attached table for every employee who will perform work on the Section 3 covered project/contracts with the Philadelphia Housing Authority (PHA) and if they believe that they meet the above definition of a Section 3 Worker or a Targeted Section 3 Worker as defined in 24 CFR Part 75. A copy of employee's photo identification is required to be attached with this form.

#### **Employer Attestation**

**I acknowledge and understand the definition of Section 3 and Targeted Section 3 Workers and hereby certify that all employees listed in the attached table are believed to be Section 3 or Targeted Section 3 Workers.**

**I attest under penalty of perjury that all of the information given below is true and correct to the best of my knowledge and belief. I understand that proof of this statement may be requested in the future. If found to provide intentional misrepresentations, it may be grounds for the termination of the contract(s) that resulted from this certification. Furthermore, I understand that I may be disqualified as a vendor for future Philadelphia Housing Authority contracts.**

Name of Business (the "Company") \_\_\_\_\_

Name of Business Owner: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## PHILADELPHIA HOUSING AUTHORITY

### **Section 3 Worker and Targeted Section 3 Worker Employer-Certification (Form 7) To be completed by Employer**

#### **LIST OF ALL EXISTING FULL TIME EMPLOYEES –FORM 7(CONTD.)**

Instructions: Please provide the following information for all employees for whom Section 3 and Targeted Section 3 Worker status is sought. The below employees must be performing, or be anticipated to perform work on your PHA contract. **(Add additional sheets if necessary)**

Developer/Contractor: \_\_\_\_\_ Proposal/Contract #: \_\_\_\_\_

Project Name & Location: \_\_\_\_\_ Date: \_\_\_\_\_

Employee Name & Address	County Residence	Last 4 of SSN	Date of Hire	Job Position/Category /Trade	Employee's individual income earned on an annual basis for year 2025, or the income for the previous year 2024, is less than \$66,850 as of 4/01/2025 (Y/N)	Employee hired in last 5 years? (Y/N)	Section 3 Worker? (Y/N)	Targeted Section 3 Worker? (Y/N)

**APPENDIX B:**

**SECTION 3 COMPLIANCE REPORTING  
REQUIREMENTS**

## **VENDOR MONTHLY ONLINE COMPLIANCE REPORT**

All vendors are required to file and submit monthly compliance reports online in PHA's Section 3 Vendor Portal, or another equivalent method as designated by PHA, throughout the calendar year. If a contract expires or is terminated, the contractor is expected to submit all outstanding Section 3 compliance reports and may have final payment withheld until reports are completed. Filing deadlines and the link to submit the online report can be found at [www.pha.phila.gov](http://www.pha.phila.gov).

## **VENDOR ANNUAL ONLINE COMPLIANCE REPORT**

In addition to filing monthly status update reports, upon completion of all work on the contract or upon the expiration of the contract, whichever occurs first, all vendors are required to file a final Section 3 cumulative report on PHA's Section 3 Vendor Portal.

### **INFORMATION REQUIRED FOR HIRING AND SUBCONTRACTING REPORTS**

#### **HIRING REPORT**

- Total Labor hours on project, Section 3 Worker and Target Section 3 Worker hours
- Contractor/Sub Contractor Name(s) (if applicable)
- Whether the Contractor/Subcontractor is a Section 3 Business
- Whether other efforts were made to achieve employment generated by HUD financial assistance for housing and community development programs (See Appendix C)

#### **SUBCONTRACTOR REPORT**

- All Subcontractors Names
- Whether the Contractor/Subcontractor is a Section 3 Business
- Contract amount expended for each subcontractor
- Which attempts were used to recruit Section 3 Businesses, for example, local advertising media, signs displayed prominently at the work site, contact community organizations or public and private agencies in Philadelphia (See Appendix C)

### **IF THE VENDOR IS UNABLE TO FULFILL SAFE HARBOR BENCHMARKS AND PHA'S QUALITATIVE EFFORTS AT THE TIME OF THE MONTHLY COMPLIANCE REPORT**

- Contact the Section 3 Program Representative at section3@pha.phila.gov
- Document the attempts used, for example, local advertising media, signs displayed prominently at the work site, contact community organizations or public and private agencies in Philadelphia and describe why such efforts failed. (See Appendix C)

## **PHA'S QUALITATIVE EFFORTS AND OTHER ECONOMIC OPPORTUNITIES**

### **INFORMATION REQUIRED FOR SECTION 3 FUND CONTRIBUTION REPORT**

- Proof of Section 3 Fund payment(s)
- Payment Information: Payments can be made *via* check or ACH (direct deposit). All payment forms must include "Section 3" and the contract number in the memo, cover letter or payment statement receipt. For direct deposit account information, please contact Eric Schneiderreit at [eric.schneiderreit@pha.phila.gov](mailto:eric.schneiderreit@pha.phila.gov) or the Section 3 Program. All checks should be made payable to "PhillySEEDS." Payment mailing address:

PhillySEEDS  
Treasurer  
2013 Ridge Avenue  
Philadelphia, PA 19121

### **INFORMATION REQUIRED FOR OTHER ECONOMIC OPPORTUNITIES PROVIDED TO SECTION 3 RESIDENTS AND BUSINESSES**

- Contract dollar amount paid by PHA for the quarter
- Amount expended for the quarter on providing economic opportunities toward Section 3 Residents or Businesses (must also provide supporting documentation)
- Type of opportunity being provided
- Location where the opportunity is being provided
- Start/End Dates
- Names of Participating Section 3 Residents and Businesses
- Completed Form 6 (to be signed by Section 3 resident) and/or proof Section 3 Residents attended and were recruited
- Type of Certificate/License Awarded (If applicable)
- PHA Section 3 Business Certification forms from each business (see "Pre-Bid Section 3 Forms List" for forms to be completed)
- Sign-in Sheet/Attendance Record(s) names of all attendees, PHA Client Numbers, trainer name, training location, date, and course name and description
- What attempts were used to recruit Section 3 Residents and businesses, such as local advertising media, signs displayed prominently at the work site, contact community organizations or public and private agencies in Philadelphia (See Appendix C)
- Whether the contractor participated in a HUD program or other program which promotes the training or employment of Section 3 Residents or Section 3 Businesses.

## **VENDOR JOB BANK REPORTING**

All vendors with commitments to meet safe harbor benchmark must report on its participation with the Section 3 Job Bank. The PHA Job Bank Coordinator will provide either Job Bank Surveys or Monthly Job Bank Referral Reports to vendors based on contract category.

1. **Non-Construction Contracts or Construction Contracts with a total contract award of \$1,000,000 or less** must complete Job Bank Surveys for every job candidate referral. These surveys are to be completed within 30 days of the date of referral, unless otherwise agreed by the PHA Job Bank Coordinator.
2. **Construction Contracts with a total contract award of \$1,000,000 or more** must complete a monthly Job Bank Referral Report. The information in these reports must include:
  - a. Candidate names referred by PHA's Job Bank
  - b. Acknowledgment of review of resumes received from the Job Bank
  - c. Information on interviews scheduled and conducted with Section 3 persons
  - d. Reasons for non-hiring of referred Section 3 persons

**APPENDIX C:**

**EXAMPLES OF EFFORTS TO DEMONSTRATE SECTION 3  
COMPLIANCE**

## **SUGGESTED EXAMPLES OF HIRING EFFORTS FOR SECTION 3 COMPLIANCE**

The following are acceptable methods that, when documented, assist in demonstrating compliance with Section 3:

1. Consulting with State and local agencies administering training programs, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 Residents for a contractor's or subcontractor's training and employment positions.
2. Advertising the jobs to be filled through the local media.
3. Employing a job coordinator, or contracting with a business that is licensed in the field of job placement (preferably a Section 3 Business) that will undertake efforts to match eligible and qualified Section 3 Residents with the training and employment positions that the contractor intends to fill.
4. Establishing training programs, which are consistent with the requirements of the Department of Labor, for public housing residents and other Section 3 Residents in the building trades.
5. Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to housing developments where PHA residents reside, particularly in the development where the Section 3 covered activity is taking place.
6. Entering into "first source" hiring agreements with organizations representing Section 3 Residents.
7. Contacting resident council, resident management corporations, or other resident organizations, where they exist, in the housing developments where low income persons reside, to request the assistance of those organizations in notifying residents of the training and employment positions to be filled.
8. Sponsoring a job information meeting to be conducted at a location in the housing developments where low income persons reside or in the neighborhood or service area of the Section 3 covered project.
9. Arranging assistance in conducting job interviews and completing job applications for residents of the housing developments where low income persons reside and in the neighborhood or service area in which a Section 3 project is located.
10. Arranging for a location in the housing developments where low income persons reside, or the neighborhood or service area of the project, where job applications may be delivered and collected or where job interview can be conducted.
11. Where there are more qualified Section 3 Residents than there are positions to be filled, maintaining a file of eligible qualified Section 3 Residents for future employment positions.
12. Undertaking continued job training efforts as may be necessary to ensure the continued employment of Section 3 Residents previously hired for employment opportunities.

## **SUGGESTED EXAMPLES OF EFFORTS TO CONTRACT WITH SECTION 3 BUSINESSES FOR SECTION 3 COMPLIANCE**

The following are acceptable methods that, when documented, assist in demonstrating compliance with Section 3:

1. In determining the responsibility of potential subcontractors, consider their record of Section 3 compliance as evidenced by past actions and their current plans for the pending subcontract.
2. Contacting business assistance agencies, minority contractors' associations and community organizations to inform them of contracting opportunities and request their assistance in identifying Section 3 businesses which may solicit bids or proposals for contracts for work in connection with Section 3 covered assistance.
3. Providing written notice to all known Section 3 Businesses of the contracting opportunities. This notice should be in sufficient time to allow the Section 3 Businesses to respond to the bid invitation or request for proposals.
4. Following up with Section 3 Businesses that have expressed interest in contracting opportunities by contacting them to provide additional information on the contracting opportunities.
5. Coordinating pre-bid meetings at which Section 3 Businesses could be informed of upcoming contracting and subcontracting opportunities.
6. Advising Section 3 Businesses as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.
7. Arranging solicitations, times for presentations of subcontract bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 Businesses.
8. Where appropriate, breaking out subcontract work items into economically feasible units to facilitate participation by Section 3 Businesses.
9. Advertising subcontracting opportunities through trade association papers and newsletters, and through other local media, such as newspapers of general circulation.
10. Developing a list of eligible Section 3 Businesses.

## Comparison of Section 3 Old Rule and New Rule – HUD Act of 1968

Old Rule – 24 CFR Part 135	New Rule - 24 CFR Part 75
<b>Focusing on sustained employment of low and very low income populations</b>	
A new hire for a temporary, seasonal, and for a permanent, year-round job counted the same, instead of placing more value on long-term employment.	Recognizes the greater value of the permanent job by focusing on labor hours instead of new hires, creating an incentive for employers to invest in and retain their newly hired low-income workers.
<b>Crediting successful sustained employment in reporting benchmarks</b>	
Former PHA Benchmarks: <ul style="list-style-type: none"> <li>• 30% of persons hired by Section 3 funding must be Section 3 residents</li> <li>• 10% of total funds for construction contracts</li> <li>• 3% of total funds for non-construction contracts contributions to Section 3 fund</li> <li>• No updates to these benchmarks</li> </ul>	Final rule benchmark notice: <ul style="list-style-type: none"> <li>• 25% of all labor hours must be performed by a Section 3 worker</li> <li>• 5% of all labor hours must be performed by Targeted Section 3 workers</li> <li>• Benchmark notice should be updated by the Secretary every three years</li> <li>• If benchmarks are not met, vendor must establish qualitative efforts (See page 2)</li> </ul>
<b>Allowing varied outcomes for different geographies and activities</b>	
Section 3 residents are: <ul style="list-style-type: none"> <li>• Public housing residents</li> <li>• Low and very low-income persons who live in the metropolitan county where a HUD assisted project for housing or community development is located</li> </ul>	Section 3 workers are: <ul style="list-style-type: none"> <li>• Workers whose incomes for the previous or annualized calendar year are below the income limit established by HUD – currently \$52,900/year</li> <li>• Employed by a Section 3 business concern</li> <li>• YouthBuild participants</li> </ul>
Under the old rule, there is no distinction or prioritization of hiring Targeted Section 3 workers	New rule emphasizes the priority hiring of Targeted Section 3 workers living in public or Section 8-assisted housing,
Section 3 business concerns are: <ul style="list-style-type: none"> <li>• At least 51% owned by Section 3 residents</li> <li>• At least 30% of employees are currently Section 3 residents, or were within last three years of employment</li> <li>• Businesses that subcontract more than 25% of all subcontracts to a Section 3 business concern</li> </ul>	Section 3 business concerns are: <ul style="list-style-type: none"> <li>• At least 51% owned and controlled by low or very low-income persons</li> <li>• Businesses where Section 3 workers perform over 75% of the labor hours over the prior three month period</li> <li>• At least 51% owned and controlled by current public housing or Section 8 assisted housing residents</li> </ul>
<b>Integrating Section 3 into the program offices</b>	
Enforcement and compliance was performed by the Office of Fair Housing and Equal Opportunity	Enforcement and compliance will be integrated into regular program office work
<b>Reducing reporting requirements for grantees who are meeting benchmarks</b>	

## Examples of Qualitative Efforts

1. The following qualify as qualitative efforts to fulfill the requirements of Section XVII.F.4.:
  - a. Contribute to a Section 3 Fund created by PHA in the amount of three percent (3%) of the Section 3 Contract amount (see Definitions, Section XVII.C.1.i., above and G.3. below);
  - b. Provide training or apprenticeship opportunities
  - c. Provide Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
  - d. Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
  - e. Provide Section 3 workers with financial literacy training.
  - f. Provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts.
  - g. Divide subcontracts into smaller jobs to facilitate participation by Section 3 business concerns.
  - h. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

## **IMPORTANT NOTICE**

### **CHANGES TO SECTION 3 REGULATIONS**

**Section 3 rules have been modified to concentrate solely on total worker hours worked with 25% of those hours being worked by Section 3 and Targeted Section 3 Workers to achieve compliance (see definitions within this section);**

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#### **HOWEVER,**

**It is understood that not all contracted vendors will be able to meet this benchmark. With that understanding, HUD has provided for “Qualitative Efforts” to meet the spirit of the regulations and to provide meaningful assistance to those persons for which Section 3 is intended. It is important that all vendors make every effort to maximize the hiring of Section 3 workers, but if those documented efforts cannot achieve compliance, Qualitative Efforts may be factored into the overall Section 3 proposed plan and will be strongly considered in the resultant scoring when recommending proposals for award. If you determine that your organization might not achieve the 25% compliance benchmark, please include Qualitative Efforts in your submission to clarify your intent and qualify your plan.**



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**PHILADELPHIA HOUSING AUTHORITY**

**SECTION K**

**SECTION 3 COMPLIANCE**

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# **PHILADELPHIA HOUSING AUTHORITY**

## **SECTION 3 PROGRAM**

### **I. INTRODUCTION TO SECTION 3**

#### **A. SECTION 3 OVERVIEW**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (“Section 3”) and 24 CFR Part 75 requires that, to the greatest extent feasible, employment and other economic opportunities generated by certain financial assistance from the U.S. Department of Housing and Urban Development (HUD) be directed to low- and very low-income residents, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low income persons, as defined in 24 CFR 75.

#### **B. APPLICABILITY**

This Policy shall cover all contracts, including memoranda of understanding, for the provision of services to PHA funded through Section 3 Public Housing financial Assistance (defined at 24 CFR § 75.3(a)(1)), which includes cooperative purchasing agreements and contracts for professional services (such as audit and accounting, brokerage, architecture, and legal), maintenance, repairs, labor, landscaping, modernization projects, employee training, PHA resident education and services, or construction. This Policy does not apply to contractors who only furnish materials or supplies.

### **II. BIDDER/PROPOSER INSTRUCTIONS ON COMPLETING SECTION 3 FORMS**

All Bidders/Proposers should review the Section 3 Policy, contained herein, and complete Form 1, located in Appendix A of this section. Depending on the answers given on Form 1, the Bidder/Proposer may be directed to complete additional forms for the bid/proposal, which should be included in the bid response/proposal.

### **III. SECTION 3 POLICY**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (“Section 3”) and 24 CFR Part 75 requires that, to the greatest extent feasible, employment and other economic opportunities generated by certain financial assistance from the U.S. Department of Housing and Urban Development (HUD) be directed to low-and very low-income residents, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low income persons, as defined in 24 CFR 75.

#### **A. Statement Of Purpose**

1. This Section 3 portion of the Procurement Policy shall provide direction to the Philadelphia Housing Authority (PHA) for maximizing employment and other economic opportunities for low- and very low-income individuals and business concerns through certain HUD-funded contracts, pursuant to 24 CFR Part 75. PHA will establish appropriate procedures and processes to implement this Section 3 portion of the Policy. This Policy does not require employing a Section 3 Worker that does not meet the qualifications of the position to be filled or cannot fulfill the contract requirements.

#### **B. Applicability**

1. This Policy shall cover all contracts, including memoranda of understanding, for the provision of services to PHA funded through Section 3 Public Housing financial assistance (defined at 24 CFR § 75.3(a)(1)), which includes cooperative purchasing agreements and contracts for professional services (such as audit and accounting, brokerage, architecture, and legal), maintenance, repairs, labor, landscaping, modernization projects, employee training, PHA resident education and services, construction. This Policy does not apply to contractors who only furnish materials or supplies.

#### **C. Definitions**

1. PHA incorporates into this Policy all of the definitions contained in 24 CFR 75; definitions most applicable to PHA’s Policy are listed below.
  - a. *Contractor:* Any entity that enters into a contract or agreement to perform work generated by the expenditure of Section 3 Covered Assistance, or for work in connection with a Section 3 Covered Project.
  - b. *HUD Youthbuild Programs:* Programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and

training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

- c. *Qualitative Efforts:* Where an entity fails to meet the quantitative numerical benchmark(s) set forth by HUD, certain qualitative efforts may be accepted to demonstrate compliance with the Section 3 requirements. Qualitative Efforts can include, but are not limited to: contributing to PHA's Section 3 Fund; outreach efforts to generate job applicants who are Targeted Section 3 workers; direct on-the-job training (including apprenticeships); indirect training such as arranging for, contracting for, or paying tuition for, off-site training technical assistance to help Section 3 workers; and outreach efforts to identify and secure bids from Section 3 business concerns.
- d. *Section 3 Business Concern:* A business concern is defined as a business entity formed in accordance with State law, and which is licensed to the extent required under any State, county or municipal law to engage in the type of business activity for which it was formed, and which meets at least one of the following criteria, documented within the last six-month period:
  - i. It is at least 51 percent owned and controlled by low- or very low-income persons;
  - ii. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or,
  - iii. It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
- e. *Section 3 Clause:* The contract provisions set forth in 24 CFR 75. The Section 3 Clause is set forth in Section III of this Policy.
- f. *Section 3 Covered Assistance:*
  - i. Public and Indian housing development assistance provided pursuant to section 5 of the U.S. Housing Act of 1937 (1937 Act);
  - ii. Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act;
  - iii. Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act; or
  - iv. Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:

- A. Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
  - B. Housing construction; or
  - C. Other public construction project (which includes other buildings or improvements, regardless of ownership).
- g. *Section 3 Covered Contract:* 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. Section 3 Covered Contracts do not include contracts awarded under HUD's procurement program that are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter1). Section 3 Covered Contracts also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 Covered Contract.
- h. *Section 3 Covered Project:* The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards); other public construction that includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.
- i. *Section 3 Fund:* A fund held and administered by or under the direction of PHA to be expended for the purpose of supporting training programs for Section 3 Residents to develop skills necessary or useful to: 1) fulfill all or a portion of the requirements of any of PHA's Section 3 Covered Contracts; 2) support or create Section 3 Business Concerns; or 3) sell to PHA, directly or through Section 3 Business Concerns, supplies and materials commonly procured by public housing authorities. Such training programs shall include, without limitation, apprentice or pre-apprenticeship programs developing skills involved in building trades, maintenance, landscaping and security and scholarships, including to pay the cost of participation of Section 3 Residents in any available apprenticeship programs for the building trades, such as plumbing, carpentry, electrical, etc., or continuing education. The financial assistance may be used for the payment of tuition, union initiation fees, dues, tools, equipment and work clothing, or any other related expense.
- h. *A Section 3 worker:* is any worker who currently fits, or when hired within the past five years fit<sup>1</sup>, at least one of the following categories, as documented:

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<sup>1</sup> Per HUD's new Section 3 rule, the five year period began on 11/30/2020 and is the earliest date that can be used for a new hire.

1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD (see Question 6 of this part I of these FAQs, below);
  2. The worker is employed by a Section 3 business concern (see Question 5 of part I, below); or
  3. The worker is a YouthBuild participant.
- j. *A Section 3 targeted worker:* for Public Housing Financial Assistance projects is a Section 3 worker who:
1. Is employed by a Section 3 business concern; or
  2. Currently fits, or when hired fit<sup>2</sup>, at least one of the following categories, as documented within the past five years:
    - (i) A resident of public housing or Section 8-assisted housing;
    - (ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
    - (iii) A YouthBuild participant.
- k. *Subcontractor:* Any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 Covered Assistance, or arising in connection with a Section 3 Covered Project.
- l. *Safe Harbor:* A safe harbor is a provision of a statute or a regulation that specifies that certain conduct will be deemed not to violate a given rule.
- m. *Labor Hour:* Hours worked by all workers employed with public housing financial assistance in a PHA fiscal year.

#### D. PHA Responsibilities

1. PHA will comply with Section 3 in its operations. This responsibility includes:
  - a. Notifying Section 3 Residents and Section 3 Business Concerns about jobs and contracts generated by Section 3 Covered Assistance so that residents may seek jobs and businesses may submit bids/proposals for available contracts;

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<sup>2</sup> Id.

- b. Notifying potential contractors of the objectives of Section 3 and ways in which each contractor can assist PHA in meeting its goal;
  - c. Facilitating the training and employment of Section 3 Residents and the award of contracts to Section 3 Business Concerns; and
  - d. Documenting the action that the PHA takes to comply with the Section 3 requirements, the results of the actions, and impediments, if any.
- 2. PHA also has a responsibility to ensure compliance of contractors and subcontractors. PHA will:
  - a. Notify contractors of their responsibilities under Section 3 including, but not limited to, incorporating the Section 3 Clause in contract documents;
  - b. Refrain from entering into contracts with contractors that are in violation of the regulations at 24 CFR Part 75;
  - c. Respond to complaints made to PHA by Section 3 worker or targeted worker or Section 3 Business Concerns that PHA, a contractor or subcontractor, is not in compliance with 24 CFR Part 75; and
  - d. Cooperate with HUD in obtaining the compliance of contractors and subcontractors when allegations are made that PHA's contractors and subcontractors are not in compliance with the regulations at 24 CFR Part 75.

#### E. Goals

1. Goals for Employment for all contractors under Section 3 covered contracts:
  - i. The Section 3 goals require that Section 3 workers comprise no less than 25% of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. Of that 25%, no less than 5% of the total number of labor hours worked must be worked by Targeted Section 3 Workers. The above benchmark notice will be updated by the Secretary every three (3) years.
2. Preferences Regarding Small Purchases: For contracts that do not exceed \$20,600, procured in accordance with the Small Purchase Procedures found in this Procurement Policy, and where the Section 3 Covered Contract is to be awarded based on price, the contract will be awarded to the responsible source with the lowest responsive quotation.
  - a. Where the Section 3 Covered Contract in an amount not to exceed \$20,600 is to be awarded based on factors other than price, a request for quotations will be prepared in accordance with PHA's Procurement Policy, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation will

identify all factors to be considered, including price or cost. The rating system will provide for a range of 10 to 15 percent of the total number of available rating points to be set aside for the provision of preference for Section 3 Business Concerns. The percent of the preference points shall be determined by the head of PHA's Supply Chain Management Department or his or her designee upon due consideration of the effect of any preference upon the ability to obtain responsive quotations. The contract or purchase order will be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

3. **Preferences Regarding Procurement By Request For Proposals (RFP):** For Section 3 Covered Contracts awarded through an RFP process, the RFP shall identify all evaluation factors (and their relative importance) to be used to rate proposals. One of the evaluation factors shall address both the preference for Section 3 Business Concerns and the acceptability of the proposing contractor's strategy for meeting the Section 3 greatest extent feasible requirement. This factor shall provide for a range of 10 to 15 percent of the total number of available points to be set aside for the evaluation of these two components. The percent of the preference points shall be determined by the head of PHA's Supply Chain Management Department or his designee upon due consideration of the effect of any preference upon the ability to obtain responsive proposals.
  - a. The component of this evaluation factor designed to address the preference for Section 3 Business Concerns must establish a preference for these business concerns in the order of priority ranking as set forth in this policy.
  - b. With respect to the second component (the acceptability of the strategy for meeting the greatest extent feasible requirement), the RFP shall require disclosure of the contractor's strategy for meeting the greatest extent feasible requirement to comply with the Section 3 employment. A determination of the contractor's responsibility will include the submission of an acceptable strategy for meeting the greatest extent feasible requirement. The contract award shall be made to the responsible firm whose proposal is determined most advantageous considering price and all other factors specified in the RFP.
4. **Preferences Regarding Contracts to be Awarded Under a Sealed Bid Process:** Where the Section 3 Covered Contract is to be awarded under a sealed bid process, PHA will utilize the procedure and the method for providing preference for Section 3 Business Concerns described in 24 CFR Part 75.
5. **Safe Harbor Benchmarks:** The Section 3 Covered Contract is in compliance with safe harbor if the vendor "met or exceeded the Section 3 benchmarks AND followed the required prioritization of effort. If the vendor can't meet, or hasn't met, the quantitative benchmarks prioritization of effort, they must provide acceptable evidence that they have made qualitative efforts to assist low and very low income persons with

employment and training opportunities. The evidence must be approved by PHA representative prior to execution.

#### F. Safe Harbor Compliance

Contractor will be considered to have complied with the Section 3 requirements and met the safe harbor benchmarks, if they certify that they followed the required prioritization of effort and met or exceeded the Section 3 benchmarks, absent evidence of the contrary. Prior to the beginning of work, contractors and subcontractors will be required to certify that they will follow the required prioritization of effort for Section 3 workers, Targeted Section 3 workers, and Section 3 business concerns as outlined below in section G. After completion of the project, on the Section 3 Cumulative Report, contractors and subcontractors will be required to certify that they followed the prioritization of effort requirements. **If the contractor and subcontractor does not meet the safe harbor requirements, they must provide acceptable evidence that they have made qualitative efforts to assist low and very low-income persons with employment and training opportunities.**

1. HUD holds PHA accountable for compliance with Section 3 requirements: Therefore, contractor reporting requirements will be incorporated into all Section 3 Covered Contracts and contractors shall be contractually required to respond to requests for information from PHA for compliance verification throughout the life of the contract. PHA's Section 3 Program and/or PHA's Office of Audit and Compliance may also conduct random compliance inspections at the site of a Section 3 Covered Project.
2. Achievement of Numerical Goals: In the absence of evidence to the contrary, if a contractor meets the minimum numerical goals listed in Section III.E of this Policy, above, the contractor is considered to have complied with its Section 3 requirements under this Policy.
3. Burden of Proof: Section 3 requires compliance with its minimum numerical requirements unless PHA and its contractors demonstrate that such compliance was not feasible following reasonable efforts. Contractors must demonstrate, through compliance reports and forms established by PHA, that they have met the numerical goals stated in Section III.E of this Policy. When a contractor is unable to meet the objectives stated in Section III.E of this Policy, the contractor has the burden of satisfactorily demonstrating why it was not feasible to meet the numerical goals. Such justification may include impediments encountered despite actions taken. In the event a contractor does not meet the numerical goals for Section 3 worker hours, PHA requires that a contractor demonstrate that it has provided other sufficient qualitative efforts as further evidence of its attempt to provide Section 3 related qualitative benefits. See Section III F.4 Policy.
4. Qualitative PHA Options: Except in the case of Section 3 Covered Contracts under \$20,600, PHA requires each contractor pursuant to any Section 3 Covered Contract to perform qualitative efforts in each of the following circumstances:

- a. The Section 3 worker labor hours, including Targeted Section 3 Workers, on the project failed to achieve 25 percent of the total labor hours performed on the project;
  - b. The Targeted Section 3 worker labor hours on the project failed to achieve 5 percent of the total labor hours performed on the project.
5. Cooperation: Vendor will cooperate fully with Section 3 compliance reviews by PHA. Vendor will promptly correct or work with subcontractors to correct any deficiencies identified by PHA during such reviews.
6. Safe Harbor Benchmarks:
- i. 25% or more of all labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year must be Section 3 workers (including Targeted Section 3 Workers).
  - ii. 5 % or more of all labor hours worked by all workers employed in PH financial assistance in the PHA's or other recipient's fiscal year must be Targeted Section 3 workers.

Section 3 labor Hours / Total labor hours = 25% AND Targeted Section 3 labor hours / Total labor hours = 5%

#### G. Qualitative Efforts

Under the PHA's Section 3 Program, contractors and subcontractors should make best efforts to provide employment and training opportunities to Section 3 workers in the priority order listed below. Contractors and subcontractors will be required to certify that they will and have made best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

- 1) To residents of the public housing projects for which the public housing financial assistance is expended;
  - 2) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
  - 3) To participants in Youth Build programs; and
  - 4) To low and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended
1. The following qualify as qualitative efforts to fulfill the requirements of Section III F.4 of this policy:
- a. Contribute to a Section 3 Fund created by PHA in the amount of three percent (3%) of the Section 3 Contract amount (see Definitions, Section III, C.i ).

- b. Provide training or apprenticeship opportunities to the greatest extent feasible per the prioritization of efforts above.
- c. Provide services to Section 3 workers supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
- d. Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- e. Provide technical training (workshops or one-on-one support) to help Section 3 business concerns understand and bid on contracts.
- f. Divide subcontracts into smaller jobs to facilitate participation by Section 3 business concerns.
- g. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- h. Provide Contracting Opportunities, to the greatest extent feasible, to Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project and participants in Youth Build programs.

All proposed potential qualitative efforts must be reviewed and approved by PHA prior to execution of any agreement. Each contractor shall fill out the Section 3 forms that are part of the solicitation which shall be reviewed by PHA to ensure the proposed plan is substantive and meaningful for the Section 3 workers and targeted workers. The Section 3 forms shall provide a framework for contractors to provide proposed plans for qualitative efforts in a manner that may be evaluated and graded by PHA's review committee. If the contractor cannot meet the labor hour requirements and does not provide a Qualitative Efforts plan that is acceptable to PHA, or if the vendor's plan fails to achieve its proposed results (to be determined at PHA's sole discretion), the contractor shall at a minimum contribute to a Section 3 Fund created by PHA in the amount of three percent (3%) of the expended contract amount.

## 2. Data Collection and Reporting

- a. Monthly Reporting
  - i. Contractors are required to submit monthly activity reports to PHA's Section 3 Vendor Portal, or by any other tracking software system utilized by PHA, by the 1st day of each month.
- b. Annual Reporting

1. Once a project is completed, contractors must submit a final Section 3 cumulative report for the program year in PHA's Section 3 Vendor Portal.
2. Upon the completion of a project, PHA's Office of Audit and Compliance will conduct a final review of the project's overall performance and compliance.
3. PHA will submit an annual report to HUD documenting the compliance with Section 3 in such form and with such information as HUD may request. The report will be submitted in compliance with HUD required deadlines. HUD will be provided access to all records, reports and other documents or items PHA maintains to demonstrate compliance with Section 3 requirements.

## H. Section 3 Complaint Process

1. Complaint Right
  - a. Any Section 3 Resident and any representative who is not a Section 3 Resident, but who represents one or more Section 3 Residents, and any Section 3 Business Concern or any individual representative of one or more Section 3 Business Concerns, may bring concerns of noncompliance with Section 3 to HUD in conformity with complaint procedures detailed in 24 CFR 75. Complaints are to be filed with the Assistant Secretary for Fair Housing and Equal Opportunity.
2. Resolution of Complaints
  - a. If the Assistant Secretary sends a complaint to PHA for resolution, PHA will review the complaint promptly. If PHA believes that the complaint lacks merit, PHA will notify the Assistant Secretary, in writing, of this recommendation with supporting reasons, within thirty (30) days of the date of receipt of the complaint. The determination that a complaint lacks merit is reserved to the Assistant Secretary.
  - b. If PHA determines that there is merit to the complaint, PHA will have sixty (60) days from the date of receipt of the complaint to resolve the matter with the complainant. At the expiration of the sixty (60) day period, PHA must notify the Assistant Secretary in writing whether a resolution of the complaint has been reached. If resolution has been reached, the notification must be signed by both PHA and the complainant and must summarize the terms of the resolution reached between the two parties
  - c. Any request for an extension of the sixty (60) day period by PHA must be submitted in writing to the Assistant Secretary, and must include a statement explaining the need for the extension.

- d. If PHA is unable to resolve the complaint within the sixty (60) day period (or more if extended by the Assistant Secretary), the complaint shall be referred to the Assistant Secretary for handling in accordance with 24 CFR 75.

### 3. Intimidatory or Retaliatory Acts Prohibited

- a. PHA will not intimidate, threaten, coerce, or discriminate against any person or business because the person or business has made a complaint, testified, assisted or participated in any manner with an investigation, proceeding, or hearing regarding a complaint.

### 4. Judicial Relief

- a. Nothing in this policy precludes a Section 3 Resident or Section 3 Business Concern from exercising the right to seek redress directly through judicial procedures.

## I. Section 3 Clause

All Section 3 Covered Contracts shall include the following clauses (A-G, below), referred to as the Section 3 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, 12U.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 75, 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 75 regulations.
- C. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, 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 75. 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 75.
- D. 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

75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

- E. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- F. 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 performed under this contract. Section 7(b) requires that 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).

**PHILADELPHIA HOUSING AUTHORITY**  
**SECTION 3 VENDOR COMMITMENT**  
**(FORM 1)**

**INSTRUCTIONS:** All vendors MUST complete this Section 3 commitment form as part of their bid/proposal, or to amend a commitment after a contract has been successfully awarded. Please answer the questions, **AS PROMPTED**. This form must be signed when completed. If additional forms are required, it will be noted in the appropriate section of this Form 1.

**1. IS YOUR BUSINESS A QUALIFIED SECTION 3 BUSINESS CONCERN?**

YES       NO

If the answer is "Yes," check at least one reason below, review and initial the acknowledgement section in Question 2, sign this Form, and complete Form 2 and provide appropriate documentation.

- \_\_\_\_ It is at least 51 percent owned and controlled by low- or very low-income persons;
- \_\_\_\_ Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or,
- \_\_\_\_ It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

If the answer is "No", review and initial the acknowledgement section in Question 2, proceed to Question 3 and sign this Form.

**2. YOUR BUSINESS IS EXPECTED TO MEET PHA'S SAFE HARBOR BENCHMARKS BELOW.**

- 1) The Section 3 worker labor hours on the project must equal at least 25 percent of the total labor hours performed on the project, and shall consist of the following:;

Section 3 Labor Hours / Total Labor Hours = 20%

Targeted Section 3 Labor Hours / Total Labor Hours = 5%

\_\_\_\_ I ACKNOWLEDGE AND UNDERSTAND THE ABOVE SAFE HARBOR BENCHMARKS AND THAT MONTHLY FILING OF LABOR HOURS TO PHA WILL BE REQUIRED

**IN THE EVENT THAT YOUR ORGANIZATION FAILS TO MEET THE ABOVE SAFE HARBOR BENCHMARKS, YOU WILL RECEIVE CREDIT FOR THE PERCENTAGE OF HOURS THAT QUALIFIED AS SECTION 3 WORKED HOURS; HOWEVER YOU WILL BE REQUIRED TO MAKE UP THE SAFE HARBOR DEFICIT BY PROVIDING QUALITATIVE EFFORTS THAT MAY, WITH APPLIED CREDIT, EQUAL TO UP TO 3% OF THE CONTRACT VALUE.**

**3. PHA QUALITATIVE EFFORTS AND OTHER ECONOMIC OPPORTUNITIES – THIS SECTION MUST BE COMPLETED BY ALL BIDDERS/PROPOSERS WHO ARE NOT A SECTION 3 BUSINESS CONCERN**

Vendors who are successfully awarded a contract with PHA are expected to provide proof of best efforts to achieve the Safe Harbor Benchmarks for worked hours. In addition, vendors are required to plan for and conduct Qualitative Efforts to provide Other Economic Opportunities to Section 3 and Targeted Section 3 workers in the priority order listed below if they are unable to meet the Section 3 Safe Harbor Benchmarks.

- 1) Residents of the public housing projects for which the public housing financial assistance is expended;
- 2) Residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
- 3) Participants in YouthBuild programs; and
- 4) Low- and very low-income persons residing within the metropolitan area in which the assistance is expended.

The following qualify as qualitative efforts to fulfill the requirements of not meeting PHA's Safe Harbor Benchmarks, subject to PHA pre-approval. At least one option must be selected.

- A. Contributions to the Section 3 Fund that PHA will use for job training and development, continuing education, and Section 3 business development.

YES                             NO

If your answer is "Yes," your business must contribute up to 3% of the total contract invoice value minus that proportional amount of credit applied for Section 3 hours worked.

- B. Your business will provide training or apprenticeship opportunities to those who qualify as low and very low income workers?

YES                             NO

If "Yes", please complete the TRAINING/APPRENTICESHIP QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- C. Your business will connect Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare)

YES                             NO

If "Yes", please complete the WORK READINESS QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- D. Your business will provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.

YES                             NO

If "Yes", please complete the POST SECONDARY ASSISTANCE QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHE ECONOMIC OPPORTUNITIES document attached below.

- E. Provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts.

YES

NO

If "Yes", please complete the TECHNICAL TRAINING FOR SECTION 3 BUSINESSES QUESTIONNAIRE section of the DESCRIPTION OF QUALITATIVE EFFORTS & OTHER ECONOMIC OPPORTUNITIES document attached below.

- F. Divide subcontracts into smaller jobs that result in participation by Section 3 businesses.

YES

NO

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- G. Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

YES

NO

If "Yes", please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- H. Develop, stabilize or expand a Section 3 Business(es)?

YES

NO

If your answer is "Yes," please provide a detailed plan for review and approval by the PHA Section 3 Program for one of the following prior to execution of any agreement:

	Assist with the formation of Section 3 Joint Business Venture
	Hire or subcontract with a Section 3 Businesses for work unrelated to this contract, if successfully awarded
	Provide mentorship, continuing education, and training opportunities that benefit Section 3 Businesses

By signing below, the vendor acknowledges and understands that it has reviewed PHA's Section 3 compliance requirements and agrees to comply with the selected commitments indicated above. Vendor attests that the proof supplied and representations made for Section 3 status are accurate, to the best of its knowledge and belief and understands that any intentional submission of false information shall be a material breach of the contract. To the extent that the completion of this form is contingent upon future information, for example price negotiations, request for specific services, etc., the undersigned hereby affirms and agrees to fully adhere in good faith to the PHA Section 3 compliance goals. The undersigned acknowledges and affirms responsibility for completion and submission of this form PRIOR TO AWARD of a contract and acknowledges that failure to submit this form will render this submission non-responsive.

Attested to by:

---

Authorized Officer Signature

Date

---

Print Name and Title

Company/Business Name

---

Address  
Number

Phone

Email:

---

Proposal or Contract Number

---

**EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE**

## PHILADELPHIA HOUSING AUTHORITY

### SECTION 3 VENDOR COMMITMENT

#### DESCRIPTION OF QUALITATIVE EFFORTS & OTHER ECONOMIC OPPORTUNITIES

**INSTRUCTIONS:** All bidders/proposers who are NOT a Section 3 business concern (defined on Section 3 Vendor Commitment Form 1) MUST complete a Section 3 commitment form as part of their bid/proposal, or to amend a commitment after a contract has been successfully awarded.

Vendors must meet the safe harbor benchmarks for Section 3 Labor Hours and Targeted Section 3 Labor Hours listed on Vendor Commitment Form 1. In the event that your organization fails to meet these safe harbor benchmarks, you will receive credit for the percentage of hours that qualified as Section 3 worked hours; however, you will be required to make up the safe harbor deficit by providing “qualitative efforts” that may, with applied credit, equal to up to 3% of the contract value.

“Qualitative efforts” are activities by PHA contractors the help public and assisted housing residents obtain jobs or benefit from other economic opportunities, now or in the future. Vendors commit to certain types of qualified efforts when completing Vendor Commitment Form 1, and PHA Resident Programs & Partnership (RPP) reviews all proposed qualitative efforts. RPP’s review looks for proposed activities that are likely to have a *significant, positive impact* on our resident or other low- and very low-income workers.

If your bid includes a commitment to any of the following qualitative efforts, you MUST complete this form

- **Training/Apprenticeship:** Provide training or apprenticeship opportunities to those who qualify as low- and very low-income workers – *answer questions on pages 2-4.*
  - “Training or apprenticeship opportunities” should qualify graduates/completers for jobs. If a program or service does not lead directly to employment, it is a “work readiness activity.”
- **Work Readiness:** Connect Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare) – *answer questions on page 5.*
- **Post-Secondary Assistance:** Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training – *answer questions on page 6.*
- **Technical Training for Section 3 Businesses:** Provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts – *answer questions on pages 7-8.*

The most important part of your proposal is how valuable your proposed qualitative efforts will be to PHA residents and other Section 3 workers. RPP is looking for proposals that can have an estimated value equal to 3% of the contract value, to help ensure that PHA’s vendors, and PHA, are meeting HUD’s Section 3 requirements. RPP will use the information you provide here to help determine if the value of the proposed qualitative efforts to PHA resident and other Section 3 workers will meet these requirements. Checking more boxes and proposing more efforts will not necessarily help or harm your proposal scoring – the *value* of your proposed activities is what matters.

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**TRAINING/APPRENTICESHIP QUESTIONNAIRE:**

Answer the following questions if you have committed to *provide training or apprenticeship opportunities to those who qualify as low- and very low-income workers*. Add more page(s) if necessary.

a. Name of proposed training:

b. Brief description of proposed training:

c. Who will provide the training?

*If the training will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Training is led by a shift supervisor with over 10 years' experience."*

*If the training will be provided externally by another organization, identify the provider. Example: "Community College of Philadelphia Welding Technology Program."*

d. What industry-recognized credentials do graduates/completers of the proposed training earn?

*An "industry-recognized credential" is defined as being exam-based, administered by third parties, supplemental to traditional postsecondary credentials, and sought or accepted by employers in an industry. Examples of industry-recognized credentials include Certified Information Systems Security Professional, Certified Medical Laboratory Assistant, and Certified Foodservice Management Professional.*

e.  Check this box if the proposed training is an Apprenticeship Program.

e.1. **If the training is an Apprenticeship:** What is the name of the program or program sponsor?  
*Example: IBEW Local 98 Apprentice Training for the Electrical Industry (ATEI)*

e.2. If the training is an Apprenticeship: To your knowledge, is this Apprenticeship registered?

Yes, registered with the  
PA Dept. of Labor & Industry

Yes, registered with the  
US Dept. of Labor

No, it is not  
registered

I don't know

Other (please explain):

f. Training results/outcomes:

*Examples: "Successful graduates/completers of this training have been hired by Employers X, Y and Z at starting wages of \$25/hour, with health insurance and other benefits." Hiring opportunities can be with your own organization, or with partner employers – but MUST be realistic and actually available to graduates of the program.*

g. Length of proposed training:

*Examples: "152 hours," or "8 weeks."*

h. Number of participant seats and proposed frequency of training:

*Example: "Up to 10 students twice a year, starting in February and July." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often training should be offered, such as "5 seats reserved in first class after work begins, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

i. Criteria for admission to proposed training:

*Examples: High school diploma or GED®, 8<sup>th</sup> grade reading level, pass an entrance exam (please identify exam), complete an application and an in-person interview. Most training programs or apprenticeships have some kind of admission criteria; a work readiness program may be open to anyone.*

j. Location of proposed training:

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**WORK READINESS QUESTIONNAIRE:**

Answer the following questions if you have committed to *services supporting work readiness and retention (e.g., interview clothing, test fees, transportation, childcare, etc.).* Add more pages if necessary.

a. Brief description of proposed work-readiness services:

b. Who will provide the work-readiness services described above?

*If the service(s) will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Resume support is led by a hiring manager from our HR department."*

*If the service(s) will be provided externally, identify the source. Example: "We provide vouchers to obtain job interview attire through the Career Wardrobe."*

c. Results/outcomes:

*Examples: "Program completers will have a fully-refreshed resume and cover letter applicable to jobs in our sector."*

d. Availability:

*Example: "Up to 10 seats twice a year, starting in February and July." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often services should be offered, such as "5 seats reserved in first class after work begins, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

e. Location of proposed work-readiness program or service:

f. What is the estimated cost or value of the proposed work-readiness program or service?

*Example: "Cost of staff time per participant is \$125," or "Cost of clothing voucher is \$20."*

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**POST-SECONDARY ASSISTANCE QUESTIONNAIRE:**

Answer the following questions if you have committed to provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.

a. Brief description of proposed post-secondary assistance:

*Please identify all of the institutions you propose to assist students in accessing. Examples: "Community College of Philadelphia," or "Sheet Metal Workers' Local 19 Training Center." Describe how you are proposing to assist prospective students.*

b. Who will provide the work-readiness services described above?

*If the service(s) will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "FAFSA completion support is provided by our HR manager."*

*If the service(s) will be provided externally, identify the source. Example: "We provide vouchers for tutoring."*

c. Results/outcomes:

*Examples: "Participants will receive 100 hours of free tutoring in core academic subjects at the Community College of Philadelphia."*

d. Availability:

*Example: "Up to 5 students supported per semester." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often assistance should be offered, such as "We will work with the PHA Youth & Family Center to identify students who need additional support, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

e. What is the estimated cost or value of the proposed post-secondary assistance?

*Example: "Cost of staff time per participant is \$125," or "Value of each tutoring voucher is \$750."*

**Section 3 Vendor Commitment, Description of Qualitative Efforts & Other Economic Opportunities**  
**TECHNICAL TRAINING FOR SECTION 3 BUSINESSES QUESTIONNAIRE:**

Answer the following questions if you have committed to provide technical training (workshops or one on one support) to help Section 3 business concerns understand and bid on contracts.

a. Name of proposed training:

b. Brief description of proposed training:

c. Who will provide the training?

*If the training will be provided internally by the vendor (your organization), what are the positions and/or qualifications of the instructors? Example: "Training is led by an accountant with over 15 years' experience."*

*If the training will be provided externally by another organization, identify the provider. Example: "The Enterprise Center's Procurement Assistance Program," or "Contractor X, an expert in public sector proposal development."*

d. Training results/outcomes:

*Examples: "Successful graduates/completers of this training will register an EIN and develop a business plan."*

e. Length of proposed training:

*Examples: "152 hours," or "8 weeks."*

**f. Number of participant seats and proposed frequency of training:**

*Example: "One round of training for up to four resident business owners." If schedule, frequency or other dates are TBD or unknown, explain how you will decide or find out when/how often training should be offered, such as "We will provide speaking services to PHA's Section 3 Entrepreneurship Program after work begins and quarterly for the duration of this contract, if we do not meet safe harbor hiring benchmarks for Section 3 workers."*

**g. Location of proposed training:**

**h. What is the estimated cost or value of the proposed training?**

*Example: "Cost of staff time per resident business supported is \$3,000."*

### **SECTION 3 BUSINESS APPLICATION**

Your business may qualify as a Section 3 business if it meets the criteria listed on Form 2 and you provide the required documentation. The benefits to qualifying as a Section 3 business are:

1. **Automatic Section 3 Compliance for your PHA Contract:** All of your employees' labor hours qualify as Section 3 Worker labor hours regardless of whether or not they meet Section 3 Worker income requirements. Please note that you will still be required to report all labor hours on a monthly basis.
2. **Potential Business Opportunities:** Section 3 businesses are listed on a PHA directory that is shared with businesses looking to work with Section 3 businesses for their Section 3 compliance obligations. You don't need to have a contract with PHA to be listed on this directory.

Please review Form 2 and see if you qualify!

## **SECTION 3 BUSINESS CERTIFICATION FORM**

### **(FORM-2)**

**Instructions:** Enter the following information and select the criteria that applies to certify your business' Section 3 Business Concern status.

#### **Business Information**

Name of Business (the "Company") \_\_\_\_\_

Address \_\_\_\_\_

Name of Business Owner \_\_\_\_\_

Phone Number of Business Owner \_\_\_\_\_

Email Address of Business Owner \_\_\_\_\_

#### **Preferred Contact Information**

Name of Preferred Contact \_\_\_\_\_

Phone Number of Preferred Contact \_\_\_\_\_

Business Type:    Corporation    Partnership    Sole Proprietorship  
                   Other: \_\_\_\_\_

#### **1. SELECT THE REASON(S) YOUR BUSINESS QUALIFIES AS A SECTION 3 BUSINESS**

- You are a Section 3 Business because at least 51% of the business ownership is owned by Section 3 Workers. Section 3 Workers are those who are low or very-low income individuals who meet the income eligibility criteria as defined in Form 6.
- You are claiming a Section 3 Business because over 75 percent of the labor hours performed for the business over the prior three month period are performed by Section 3 Workers;
- You are a Section 3 Business because at least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

#### **2. ATTACH DOCUMENTATION NECESSARY TO QUALIFY AS A SECTION 3 BUSINESS**

- Section 3 Business because at least 51% of the business ownership is held by Section 3 Worker:** Complete Form 4 and provide a Form 6 for each individual claiming Section 3 Worker status. Valid photo identification is required with each Form 6.
- Section 3 business because over 75 percent of the labor hours performed for the business over the prior three month period are performed by Section 3 Workers;** Complete Form 3 and provide a Form 6 for each employee who is alleged to be a Section 3 Worker. In the alternative, you may complete Form 7 in which you, as the employer, can certify that the employee's annual income is less than the threshold found in Form 6. Photo identification is required with each Form 6 and each individual listed on Form 7.
- Section 3 business because at least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.** You must provide: Complete Form 4 and provide a Form 6 for each individual claiming Targeted Section 3 Worker status. Valid photo identification is required with each Form 6.

I affirm that the above statements (on the front side of this form) are true, complete, and correct to the best of my knowledge and belief. I understand that businesses who misrepresent themselves as Section 3 business concerns and report false information to the Philadelphia Housing Authority may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities. I hereby certify, under penalty of law, that the following information is correct to the best of my knowledge.

---

Authorized Officer Signature

Date

---

Print Name, Title, and Company Name

Proposal or Contract Number

---

\*Certification expires within six months of the date of signature  
Information regarding Section 3 Business Concerns can be found at 24 CFR 75.5

#### **FOR ADMINISTRATIVE USE ONLY**

Form reviewed and approved by an Office of Audit and Compliance (OAC) Section 3 Compliance Representative:       YES       NO

Name of OAC Representative: \_\_\_\_\_

Signature of OAC Representative: \_\_\_\_\_ Date form reviewed: \_\_\_\_\_

**EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE**

**LIST OF ALL EXISTING FULL TIME EMPLOYEES (FORM 3)**

**Instructions:** Please provide the following information for all full time employees employed by the contractor/vendor, regardless of whether the employee is a Section 3 Worker or Targeted Section 3 Worker. (Add additional sheets if necessary)

DEVELOPER/CONTRACTOR: \_\_\_\_\_ PROPOSAL/CONTRACT #: \_\_\_\_\_

PROJECT NAME AND LOCATION: \_\_\_\_\_ DATE: \_\_\_\_\_

EMPLOYEE NAME/ADDRESS	SOCIAL SECURITY # (LAST 4 DIGITS)	DATE OF HIRE	JOB POSITION/CATEGORY/TRADE	INDIVIDUAL INCOME EARNED ON AN ANNUAL BASIS IS \$64,250 OR LESS (Y/N) (AS OF 4/1/2024)	NUMBER OF HOURS WORKED OVER THE PAST 3 MONTHS	SECTION 3/TARGETED SECTION 3 WORKER (Y/N)

### **SECTION 3 RESIDENT OWNED BUSINESS OWNERSHIP PROFILE**

#### **(FORM 4)**

**Instructions:** Please provide ownership information to establish at least 51 percent of the business is owned and controlled by current Public Housing residents or residents who currently participates in a Section 8-assisted program. All owners, partners, proprietors, and the like, must be listed, regardless of whether the individual is current Public Housing resident or participates in a Section 8 assisted program.

DEVELOPER/CONTRACTOR: \_\_\_\_\_ PROPOSAL/CONTRACT #: \_\_\_\_\_

PROJECT NAME AND LOCATION: \_\_\_\_\_ DATE: \_\_\_\_\_

OWNER NAME/ADDRESS	SOCIAL SECURITY # (LAST 4 DIGITS)	DATE OF BIRTH	JOB TITLE	% OWNERSHIP INTEREST	INDIVIDUAL INCOME EARNED ON AN ANNUAL BASIS IS \$64,250 OR LESS (Y/N) (AS OF 4/1/2024)	PUBLIC HOUSING OR SECTION 8 PROGRAM PARTICIPANT (Y/N)





## **SECTION 3 JOB BANK JOB DESCRIPTION FORM (FORM 5)**

### **Philadelphia Housing Authority's Section 3 Job Bank:**

#### **Vendor Participation Requirements**

The Philadelphia Housing Authority (PHA) has created a Section 3 Job Bank on its website that lists all available Section 3 positions with PHA vendors. In addition to conducting independent Section 3 job recruitment, you are required to participate in the Section 3 Job Bank as part of your Section 3 compliance commitment. Participation in the Section 3 Job Bank requires the following:

- 1) Timely submission of job description(s);
- 2) Status updates on whether the position(s) has been filled;
- 3) Interviewing Section 3 Workers referred to the vendor by PHA; and
- 4) Timely submission of post-interview survey form or monthly referral reports for referred Section 3 Workers

Please complete the attached Section 3 Job Bank Job Description Form and return to [section3@pha.phila.gov](mailto:section3@pha.phila.gov). Vendors using the services of sub-contractors are responsible for ensuring subcontractors participate in the Section 3 Job Bank.

**PLEASE NOTE: Failure to participate in the Section 3 Job Bank may result in a notation in your Section 3 compliance record.**

### SECTION 3 JOB BANK JOB DESCRIPTION FORM (FORM – 5)

**INSTRUCTIONS:** Complete all applicable fields in this form. Any attachments/web links submitted in lieu of this form must include the information requested from this form in its entirety.

<b>Company Name:</b>	Click here to enter text	<b>Contract No(s):</b>	Click here to enter text
<b>Date Posted:</b>	Click here to enter a date.	<b>Willing to Train:</b>	Enter – Yes or No
<b>Position Start Date:</b>	Click here to enter a date.	<b>Position End Date:</b>	Click here to enter a date.
<b>Job Title:</b>	<b>Click here to enter text.</b>		
<b>Contract #:</b>	Click here to enter text.	<b>Job Category/Field:</b>	[i.e.: plumbing, legal, marketing]
<b>Location:</b>	Click here to enter text.	<b>Travel Required:</b>	Click here to enter text.
<b>Neighborhood(s):</b>	Click here to enter text.	<b>Number of Positions Available:</b>	Click here to enter text.
<b>Position Type:</b>	[i.e.: full-time, part-time, seasonal, job share, contract, intern]	<b>Fringe Benefits:</b>	Click here to enter text.
<b>Compensation:</b>	[i.e.: salary, wage/hourly ]		Click here to enter text.
<b>External posting URL:</b>	Click here to enter text.		
<b>Job Description</b>			
<b>ROLE AND RESPONSIBILITIES</b> <p>[Type a description of the essential roles, responsibilities and activities a candidate can expect to assume in this position, using the Details style. For bullets, use the Bulleted List style.]</p> <p style="margin-left: 20px;">[Bulleted list item]</p> <p style="margin-left: 20px;">[Bulleted list item]</p> <p>[For a numbered list, use the Numbered List style.]</p> <p style="margin-left: 20px;">[Numbered List item]</p> <p style="margin-left: 20px;">[Numbered List item]</p>			
<b>QUALIFICATIONS AND EDUCATION REQUIREMENTS</b> <p>[Type a description of the work experience and educational background that a candidate should have when applying for position. Use the Details, Bulleted List, and/or Numbered List styles as needed.]</p>			
<b>PREFERRED SKILLS</b> <p>[Type a description of any additional skills or experience that would be considered favorable for a candidate who is applying for this position. Use the Details, Bulleted List, and/or Numbered List styles as needed.]</p>			
<b>ADDITIONAL NOTES</b> <p><i>[Type any additional notes if needed.]</i></p>			
<b>FOR PHA OFFICE USE ONLY</b>			
<b>Reviewed By Section 3:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Reviewed By HR:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Approved By RPP:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter a date.
<b>Last Updated By:</b>	Click here to enter text.	<b>Date:</b>	Click here to enter text.

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## PHILADELPHIA HOUSING AUTHORITY

### Section 3 Worker and Targeted Section 3 Worker Self-Certification Form (Form 6)

To be completed by Employee

The purpose of HUD's Section 3 program is to provide employment, training and contracting opportunities to individuals whose income is below certain thresholds, particularly those who are recipients of government assistance for housing or other public assistance programs. Your response is confidential, and has no effect on your employment.

#### Eligibility for Section 3 Worker or Targeted Section 3 Worker Status

The below must be completed by an employee on a Section 3 project or Section 3 covered contract if they believe that they meet the below definition of a Section 3 Worker or a Targeted Section 3 Worker as defined in 24 CFR Part 75. A copy of employee's photo identification is required to be attached with this form.

Instructions: Enter/select the appropriate information to determine your Section 3 Worker or Targeted Section 3 Worker status and return it to your employer.

Employee Name: \_\_\_\_\_

1. Are you a resident of the City of Philadelphia  YES  NO

2. Are you a resident of Philadelphia Housing Authority Public Housing or a Housing Choice Voucher Holder (Section 8)?  YES  NO

If Yes, Please print Client ID# \_\_\_\_\_

3. I certify that my individual income earned on an annual basis is:

- \$64,250 or less
- Above \$64,250

### **Employee Affirmation**

I certify that all of the information given above and below is true and correct to the best of my information and belief. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual which may be grounds for termination of training, employment, or contracts that resulted from this certification. I attest under penalty of perjury that my total individual income annually is as per the amount listed above on page 1. I understand that proof of this statement may be requested in the future.

Employee Address: \_\_\_\_\_

(Must be a street address and not a P.O. Box#) (Apt #), (City, State, Zip)

PHA Site Name (if applicable): \_\_\_\_\_ Phone # \_\_\_\_\_

Last four digits of social security number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date Hired: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

---

**NOTE: EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE FOR FIVE YEARS. ALL EMPLOYERS MUST SUBMIT THIS FORM FOR EVERY EMPLOYEE FOR WHOM SECTION 3 STATUS IS APPLICABLE ALONG WITH A COPY OF THE EMPLOYEE'S PHOTO IDENTIFICATION TO PHA'S LABOR STANDARDS OFFICER.**

## PHILADELPHIA HOUSING AUTHORITY

### **Section 3 Worker and Targeted Section 3 Worker Employer-Certification (Form 7)**

#### **To be completed by Employer**

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The purpose of HUD's Section 3 program is to provide employment, training and contracting opportunities to individuals whose income is below certain thresholds, particularly those who are recipients of government assistance for housing or other public assistance programs. Your response is confidential.

#### **Employer Certification Requirements**

All employers must either provide separate Form 6's for each of their alleged Section 3 or Targeted Section workers or submit this form along with the complete information in the attached table for every employee who will perform work on the Section 3 covered project/contracts with the Philadelphia Housing Authority and provide a copy of their photo identification.

#### **Employer Attestation**

**I acknowledge and understand the definition of Section 3 and Targeted Section 3 Workers and hereby certify that all employees listed in the attached table are believed to be Section 3 or Targeted Section 3 Workers.**

**I attest under penalty of perjury that all of the information given below is true and correct to the best of my knowledge and belief. I understand that proof of this statement may be requested in the future. If found to provide intentional misrepresentations, it may be grounds for the termination of the contract(s) that resulted from this certification. Furthermore, I understand that I may be disqualified as a vendor for future Philadelphia Housing Authority contracts.**

Name of Business (the "Company")\_\_\_\_\_

Name of Business Owner:\_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### LIST OF ALL EXISTING FULL TIME EMPLOYEES – FORM 7 (CONTD.)

Instructions: Please provide the following information for all employees for whom Section 3 and Targeted Section 3 Worker status is sought. The below employees must be performing, or be anticipated to perform work on your PHA contract. (Add additional sheets if necessary)

Developer/Contractor: \_\_\_\_\_ Proposal/Contract #: \_\_\_\_\_

Project Name & Location: \_\_\_\_\_ Today's Date: \_\_\_\_\_

Employee Name & Address	Last 4 of SSN	Date of Hire	Job Position/Category/Trade	Employee's annualized full time income is \$64,250 or less as of 4/01/2024 (Y/N)	Section 3 Worker? (Y/N)	Targeted Section 3 Worker? (Y/N)

**PHILADELPHIA HOUSING AUTHORITY  
AFFIRMATIVE ACTION SECTION**

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## **PART I: GENERAL**

### **1.1 POLICY**

As a requirement for receiving federal funds, the U.S. Department of Housing and Urban Development ('HUD') requires that the Philadelphia Housing Authority (hereinafter 'Authority') implement an Affirmative Action Contract Compliance Program under Executive Order Nos. 11246, 12432, 12138, 11625, to promote the development of certified Minority Business Enterprises (hereinafter 'MBE'), and certified Women Business Enterprises (hereinafter 'WBE'). This program will also comply with the requirements of Titles VI and VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 d & e, as amended, and HUD Regulations 24 C.F.R. § 85.36(e).

The Authority by this policy affirms its commitment to maximize the utilization of certified MBEs/WBEs in Authority contracts and subcontracts. To this end, the Authority will provide such assistance as will be needed to achieve this goal.

The aim of this policy is to discover and deter any present discrimination by bidders who seek contracts with the Authority. MBE/WBE minimum participation goals (hereinafter 'MPGs') shall be used as a screening device to determine whether discrimination may have occurred. Minimum goals of MBE/WBE participation will be indicated for each contract in the bid documents, and will be based upon availability of certified MBEs/WBEs. The MPGs are a means of determining whether or not a contractor shall be presumed to have engaged in discrimination. If the information furnished is below the MPGs, the bid package shall be subject to further review, in accordance with criteria set forth in this policy, to determine whether or not there was actual discrimination.

### **1.2 APPLICABILITY**

This program shall apply to all nonexempt contracts awarded by the Authority which are connected with federally funded or federally assisted programs. Exemptions are more fully described in Part VI of this program.

### **1.3 DEFINITIONS**

- A. AAO: Affirmative Action Officer, Director of the Authority's Affirmative Action Department.**
- B. Authority: Any department, division, unit or office of the Philadelphia Housing Authority, including the Board of Commissioners.**

- C. **BIDS:** A quotation, proposal, solicitation or offer by a Bidder or a Proposer to provide labor, materials, equipment, supplies or services to the Authority.
- D. **BIDDER:** Any person or entity that submits a quotation, bid or proposal to provide Labor, materials, equipment, supplies or services to the Authority.
- E. **BIDDER/PROPOSER AFFIRMATIVE ACTION IMPLEMENTATION PLAN:** Schedule of Participation and Binding Commitments Form and other documents submitted by Bidder /Proposer to support their Affirmative Action Plan. These submissions become an enforceable provision of the awarded contract.
- F. **CERTIFIED:** Any business that has, after application to a recognized certifying agency, been determined to be owned, controlled and managed by minority(s), women, or disadvantaged person(s).
- G. **CERTIFYING AGENCY:** Federal, state, local governmental or quasi-governmental agencies or authorities authorized by law to certify MBE/WBE's qualifications in terms of ownership, management and control.
- H. **COMPLIANCE:** A contractor or subcontractor who performs under an Authority contract in accordance with this Affirmative Action Contract Compliance Program shall be determined to be in compliance.
- I. **CONTRACTS:** Any Authority contract which is covered by this Affirmative Action Contract Compliance Program, whether competitively bid or negotiated, including contracts in the following areas:
  - 1. **VENDING:** for Material, Equipment, Services, and Supplies.
  - 2. **CONSTRUCTION:** for all types of construction; and
  - 3. **PERSONAL AND PROFESSIONAL SERVICES.**
- J. **DEBARMENT:** Exclusion from Authority contracting or subcontracting for a reasonable, specified period of time commensurate with the seriousness of the offense or failure or the inadequacy of performance.
- K. **DISCRIMINATION:** Any action or pattern of disparate treatment experienced in the solicitation for bids/proposals or in the award of a contract/subcontract because of: Race, Color, Sex, National Origin, Disability, or Religion.
- L. **EXEMPTION:** Any bid/proposal in which the minimum participation goal(s) have been excluded.

- M. JOINT VENTURE:** A contractual partnership between the prime contractor and a certified minority-owned business enterprise and/or a certified women-owned business enterprise, which must be executed prior to the submittal of the bid/proposal.
- N. MINIMUM PARTICIPATION GOAL (MPG):** The level of participation of certified MBE/WBEs set by the AAO. MPG shall reflect the availability of certified MBE/WBEs in the subject area, and the level, which should be attained absent discrimination. MPG are stated as a percentage. A Bidder/Proposer will not be rejected as not responsible solely because they fail to reach the MPG.
- O. MINORITY BUSINESS ENTERPRISE (MBE):** A business enterprise certified as a Minority Owned Business that is owned, managed and controlled by one or more socially or economically disadvantaged person(s). Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such person(s) include, but are not limited to: Blacks/African-Americans, Puerto Ricans and other Hispanics, American Indians/Native Americans, Eskimos, Aleuts, Hasidic Jews, Asian Pacific Americans, and Asian Indians.
- P. OWNED, MANAGED AND CONTROLLED:** Possession of at least fifty-one percent (51%) of the ownership of the business. Management and control of the daily for profit business operation or nonprofit organization held by one or more persons who are classified as a member of a minority group or a woman, as defined herein.
- Q. PRIME CONTRACTOR/CONTRACTOR/BIDDER OR PROPOSER:** Any person or business entity that is a party or potential party to a contract with the Authority.
- R. RESPONSIBLE:** The Bidder's/Proposer's submissions of a written commitment to meet or exceed the MPG set forth in the bid, or in the absence of meeting or exceeding the MPG, a full and complete explanation therefore in accordance with this program.
- S. RESPONSIVENESS:** The Bidder's/Proposer's submission of (in addition to the submission of any other required documentation), documentary evidence of certified MBE/WBEs who have been contacted and who are to be used on the contract. Documentation must be submitted with the bid/proposal and failure to submit evidence of "Best Efforts" and binding commitments will result in rejection of the bid/proposal and a determination made of non-responsiveness.

- T. WOMEN BUSINESS ENTERPRISE:** A business enterprise certified as a Woman Owned Business that is owned controlled and managed by a woman.

#### **1.4 CERTIFICATION – A LEGITIMATE MBE/WBE**

- A. To ensure that only businesses which are owned, managed and controlled in both form and substance by MBE/WBEs are participating in the Authority's Affirmative Action Contract Compliance Program. MBE/WBE businesses, including joint ventures and nonprofit organizations, must be certified by a governmental entity authorized to certify such enterprises.
- B. MBE/WBE certification shall not be determinative of a Bidder's or Contractor's financial or technical ability to perform specified work. The Authority reserves the right to evaluate the Bidder's/Proposer's, Contractor's or Subcontractor's ability to satisfy financial, technical or other criteria separate and apart from certification before or after bid opening.
- C. The Authority recognizes that certified MBE/WBEs might be de-certified by the certifying governmental entity. Any business, which has been de-certified, shall not participate in the Authority's Affirmative Action Contract Compliance Program.
- D. The Authority reserves the right, if there is cause, to refuse a certification provided by a certifying agency.

#### **1.5 SUBSTITUTION OF CERTIFIED MBE/WBEs**

Commitments to certified MBE/WBE firms made at the time of bidding must be maintained throughout the term of the contract, unless a change in commitment is pre-approved by the Authority's AAO. If at any time after a bid/proposal is opened by the Authority, a Contractor is unable to meet the obligations of the Contractor's Affirmative Action implementation Plan, as indicated on the Schedule of Participation and Binding Commitments Form, such Contractor may be required to present for approval to the AAO a substitute implementation Plan.

#### **1.6 GUIDELINES FOR JOINT VENTURING**

Joint Venture partnership(s) with either a certified MBE or a certified WBE must meet the following criteria in order to receive credit towards the minimum participation goals (MPGs):

- A. The MBE/WBE partner(s) must be certified by a governmental entity authorized by law to certify such enterprises prior to bid/proposal submittals.

- B.** The MBE/WBE partner(s) must be substantially involved in all phases of the contract including, but not limited to, the performance, with its own work force, a portion of the onsite work, and administrative responsibilities such as bidding, planning, staffing and daily management.
- C.** The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interests).
- D.** If the certified partner(s) is a MBE, its participation may be credited to the extent of the partner's ownership interest in the joint venture, however, it will still be required to meet the WBE goal or vice versa.

## **1.7 CONTRACT LANGUAGE**

Authority contracts subject to these procedures shall include language providing that compliance with MBE/WBE provisions have been met, and cooperation with the Authority on contractual matters is material to the Authority's contract. The successful Bidder's/Proposer's Affirmative Action Plan submissions will become an enforceable provision of the contract. Failure to comply with the Authority's Affirmative Action Contract Compliance Program or otherwise comply with the Bidder's/Proposer's submissions, may be grounds for a finding of contractor non-responsibility.

## **1.8 AMENDMENT**

These procedures may be amended as may be necessary. Any amendment shall become effective upon the approval and adoption by the Philadelphia Housing Authority Board of Commissioners.

## **1.9 SEVERABILITY**

The provisions of these procedures are separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of these procedures, or the invalidity of the application thereof to any person or circumstances shall not affect the validity of the remainder of the procedures or their application to other persons.

## **PART II: RESPONSIBILITIES**

### **2.1 AFFIRMATIVE ACTION OFFICER**

**The AAO reports directly to the General Manager of Contracts/Procurement for the Philadelphia Housing Authority. The AAO is authorized and shall perform functions, which include, but are not limited to:**

- A. Establish or modify minimum participation goals (MPGs) for Authority contracts based upon the dictates of market availability of certified MBE/WBEs and/or applicable laws and regulations to perform various elements of the contract.**
- B. The AAO will engage in the review of bid/proposal packages to ensure that the packages provide maximum opportunity for certified MBE/WBE participation and shall have the authority to recommend approval or disapproval of any bid package to ensure compliance with this program.**
- C. Attend all Pre-bid and Pre-construction meetings.**
- D. Monitor and audit contractor's performance including site and business office visits to ascertain whether the contractor has discriminated or has practices which have had a disparaging or discriminating effect, and to determine that the certified MBE/WBE is performing its function in accordance with authorized standard industry practices.**
- E. Maintain participation records and prepare periodic reports that include, but are not limited to the following data:**
  - 1. A summary of contracts awarded specifying the percentage of participation.**
  - 2. A survey comparing past and current contract participation goals of certified businesses.**
  - 3. Any relevant recommendation that may enhance efficiency and effectiveness of the Affirmative Action Contract Compliance Program.**
- F. For Comprehensive Improvement Modernization Program (hereinafter "CIAP") funded contracts, prepare and report the Authority's MBE/WBE progress on HUD Form #2516 – Contract and Subcontract Activity Report for Public and Indian Housing Programs.**
- G. Receive, document and evaluate complaints relative to violations of the Affirmative Action Contract Compliance Program.**

**H. Report findings of discrimination, in writing, to the Executive Director through the General Manager of Contracts/Procurement.**

**I. Interact with city, state, and federal agencies involved in the administration of certified MBE/WBE programs.**

## **2.2 CONTRACTING OFFICER**

**A. SOLICITATION – The Authority’s Contracting Officer shall actively solicit certified MBE/WBEs to compete for contracting opportunities as Prime/General Contractors.**

**B. REPORTS – The Affirmative Action Officer shall gather information required to prepare various reports that detail:**

- 1. The original total dollar amount of each contract awarded according to the categories of vending, construction, personal services and professional services, including the total dollar amount of each contract resulting from any contract amendment or change orders subsequent to award.**
- 2. The original total dollar amount of each contract awarded to each certified MBE/WBE as a Prime/General Contractor, as well as the actual dollar amount of each contract including contract amendments or change order(s).**

## **2.3 COORDINATION WITH CONTRACT CONTROL SPECIALISTS**

**A. The AAO shall coordinate with the Contract Control Specialist for information as may be required in the performance of the AAO function. Such information may include, but is not limited to:**

- 1. Explanation of the elements of the work to be performed under a contract.**
- 2. A reasonable estimate of costs, type(s) and quantity of supplies, materials and equipment required for performance under a contract.**
- 3. A reasonable estimate of employees and their classifications required for performance under a contract.**

**B. The Authority’s Contracting Officer shall also do the following, with or without coordination with the AAO:**

- 1. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by certified MBE/WBEs.**

2. Establish delivery schedules, where the requirement permits, which encourage participation by certified MBE/WBEs.
3. Use the services and assistance of the Small Business Administration and Minority Business Development Agency of the Department Commerce.

**PART III: BIDDER/PROPOSER AFFIRMATIVE ACTION**

**IMPLEMENTATION PLAN**

**3.1 GENERAL REQUIREMENTS**

**Each Bidder's/Proposer's Affirmative Action implementation Plan shall include the following:**

- A. The business name, address, contact person, telephone number, certification number, certifying agency(s), and Internal Revenue Service Employer's Identification Number (E.I.N.).**
- B. A description of the work that will be performed by each designated contractor/subcontractor.**
- C. The date of solicitation, contact person's name, whether contact was by phone or mail, and if a quote was received from the designated MBE/WBE.**
- D. Confirmation of commitment made as to the level of certified MBE/WBE participation described as a percentage of the total base contract proposal dollar amount and percentage of commitments.**
- E. If no commitment is made to meet or exceed the stated MPG's, the Bidder/Proposer must provide documentation that the following steps were taken:**
  - 1. Requested and attended a briefing and information meeting with the Authority staff designed to explain the Affirmative Action Contract Compliance Program pertaining to certified MBE/WBE participation.**
  - 2. Advertised in general circulation, media, trade association publications, and minority/women-focused media concerning subcontracting and supplier opportunities.**
  - 3. Participated in Authority sponsored conferences and seminars designed specifically for the promotion of the Authority's Affirmative Action Contract Compliance Program pertaining to certified MBE/WBE participation.**
  - 4. Notified certified MBE/WBEs and solicited their participation in the reference contract. The names, addresses, telephone numbers, and contact persons of the firms notified must be provided.**
  - 5. Provided complete information about plans, specifications, and requirements of the contract to interested certified MBE/WBEs.**

6. **Made reasonable efforts to negotiate with certified MBE/WBEs for specific sub-bids. All such contacts must be fully documented. If a sub-bid of a certified MBE/WBE is rejected, the Bidder/Proposer must document and explain the reason for the rejection. Rejection based solely on the initial response from a certified MBE/WBE will not be sufficient to establish non-discrimination and “Best Efforts” toward compliance.**
- F. **Attest to the fact that the certified MBE/WBE will perform work, which is necessary and required for contractor to fulfill their obligation under the applicable contract and specification.**

## **PART IV: CONSTRUCTION CONTRACT AFFIRMATIVE ACTION IMPLEMENTATION PLAN**

### **4.1 MINIMUM PARTICIPATION GOALS**

**The AAO shall set MPG<sub>s</sub> for Specifications/Contracts/Request for Proposals.  
(MODERNIZATION FUNDS)**

**The MPG<sub>s</sub> which have been set by the AAO as of the date of implementation of this program, are and shall be, until or unless they are revised, as follows:**

<b><u>MBE</u></b>	<b><u>WBE</u></b>
20%	10%

- A. A Bidder/Proposer will not be rejected as non-responsive solely because they fail to reach the MPG<sub>s</sub>. However, a contractor may be considered not responsive if the MPG<sub>s</sub> are not met and no acceptable justification is offered for a lack of compliance.**
- B. When a firm/company contracts with an enterprise that is both a certified MBE and a certified WBE, credit toward the MPG will be received for one category only. Bidders/Proposers shall indicate in their plan which category is being credited.**
- C. A certified MBE/WBE firm bidding as a prime/general contractor shall still be required to submit an Affirmative Action Implementation Plan. However, where the primary contract is awarded to either a certified MBE or a certified WBE the Authority shall count the entire dollar amount of the contract towards meeting the MPG.**
- D. Certified MBE/WBE subcontractors shall perform at least seventy-five percent (75%) of the cost of the subcontract, not including cost of materials, with their own employees. This provision shall not apply to suppliers or distributors.**

### **4.2 CONSTRUCTION CONTRACT BIDDER/PROPOSER RESPONSIVENESS**

- A. Bidders/Proposers must submit information indicating certified MBE/WBE firms, which have been solicited, quotes that have received (solicited and unsolicited), and firms to which commitments have been made. Documentation of such solicitations, quotes, and commitments must be submitted concurrently with the bid/proposal. Failure to submit the required information is sufficient cause for rejection of the bid as non-responsive.**
- B. Mailings to large numbers of certified MBE/WBEs which are intended to provide notice of a contractor's interest in bidding on a construction**

**contract will not be deemed solicitation, but will be treated as informational notification only.**

- C. A Bidder/Proposer should only solicit certified MBE/WBE subcontractors, manufacturers or supplies whose work, materials or supplies are within the project scope and are related to project line items or portions thereof, and which the Bidder/Proposer reasonable believes it will choose to subcontract with or purchase from.**
- D. Bidders/Proposers failing to meet the MPG must submit concurrently with the bid submissions, the information required under Part III, Section E, of the Affirmative Action Contract Compliance Program.**

#### **4.3 CONSTRUCTION CONTRACT BIDDER/PROPOSER RESPONSIBILITY**

The submittals of each Bidder/Proposer are subject to review to determine whether the Bidder/Proposer has discriminated in the selection of manufacturers, subcontractors or suppliers, or has taken affirmative steps in the utilization of certified MBE/WBEs to ensure compliance with this policy. If a Bidder/Proposer has met the MPG, the Authority's Contracting Officer may presume that the Bidder has not discriminated in its selections. A Bidder/Proposer who fails to meet the MPG shall satisfactorily provide the documentation set forth in Part III, Section E, of this program. The AAO shall perform a review of the submitted documentation to determine whether discrimination has occurred. If appropriate, the AAO may invoke the provisions of Part VII, Section 7.3 (Willful Non-Compliance) and recommend sanctions contained therein.

**PART V: VENDING AND PERSONAL/PROFESSIONAL  
SERVICES CONTRACT AFFIRMATIVE ACTION  
IMPLEMENTATION PLAN**

**5.1 MINIMUM PARTICIPATION GOALS**

**The AAO shall set MPG's for Specifications/Contracts/Request for Proposals.**

**(MANAGEMENT FUNDS)**

**The MPG's which have been set by the AAO as of the date of implementation of this program, are and shall be until or unless they are revised, as follows:**

<b>MBE</b>	<b>WBE</b>
<b>10%</b>	<b>10%</b>

- A. A Bidder/Proposer will not be rejected as non-responsive solely because they fail to reach the MPG's. However, a contractor may be considered non-responsible if the MPG's are not met, and they are not in compliance with Part III, Section E.
- B. When a firm/company contracts with an enterprise that is both a certified MBE and a certified WBE, credit toward the MPG will be received for one category only. Bidders/Proposers shall indicate in their Plan which category is being credited.
- C. A certified MBE/WBE firm bidding as a prime contractor shall still be required to submit an Affirmative Action Implementation Plan. However, where the primary contract is awarded to either a certified MBE or a certified WBE the Authority shall count the entire dollar amount of the contract towards meeting the MPG.

**5.2 VENDING AND PERSONAL/PROFESSIONAL SERVICES CONTRACT  
AFFIRMATIVE ACTION BIDDER/PROPOSER RESPONSIVENESS**

- A. Bidders/Proposers must complete and submit with the bid/proposal, **certified MBE/WBE Schedule of Participation and Binding Commitments Form**. Failure to submit these forms with the bid/proposal may result in the bid being rejected as non-responsive.
- B. Mailings to large number of certified MBE/WBE's which are intended to provide notice of a contractor's interest in bidding on a vending and personal/professional service contract will not be deemed solicitation, but will be treated as informational notification only.
- C. A Bidder/Proposer should only solicit certified MBE/WBE subcontractors, vendors, manufacturers or suppliers whose services, materials or supplies are

**within the scope of work bidde on, and which the Bidder/Proposer reasonably believes it will choose to subcontract with or purchase from.**

- D. Bidders/Proposers failing to meet the MPG must submit concurrently with the bid submissions the information required under Part III, Section E, of the Affirmative Action Contract Compliance Program.**

**5.3 VENDING AND PERSONAL/PROFESSIONAL SERVICE CONTRACT AFFIRMATIVE ACTION BIDDER/PROPOSER RESPONSIBILITY**

The submittals of each Bidder/Proposer are subject to review to determine whether the Bidder/Proposer has discriminated in the selection of manufacturers, subcontractors or suppliers, or has taken affirmative steps in the utilization of certified MBE/WBEs to ensure compliance with this policy. If a Bidder/Proposer has met the MPG, the Authority's Contracting Officer may presume that the Bidder/Proposer has not discriminated in its selections. A Bidder/Proposer who fails to meet the MPG shall satisfactorily provide the documentation set forth in Part III, Section E, of this program. The AAO shall perform a review of the submitted documentation to determine whether discrimination has occurred. If appropriate, the AAO may invoke the provisions of Part VII, Section 7.3 (Willful Non-Compliance) and recommend sanctions contained therein.

## **PART VI: EXEMPTIONS**

### **6.1 EXEMPTED CONTRACTS**

**The Authority recognizes that in certain limited circumstances, compliance with this Affirmative Action Contract Compliance Program will not be feasible, nor in the best interest of the Authority or its residents. With the approval of the Executive Director, Contracting Officer and the Affirmative Action Officer, the following contracts may be exempted:**

- A. A vending contract, for equipment, materials, services and supplies where the total dollar amount of the contract is less than Ten Thousand Dollars (\$10,000.00).**
- B. A construction contract where the total dollar amount of the contract is less than Ten Thousand Dollars (\$10,000.00).**
- C. A professional or personal services contract where the total dollar amount of the contract is less than Ten Thousand Dollars (\$ 10,000.00).**
- D. Any public exigency or emergency contract where the nature of the emergency will not allow for a delay, which would occur from competitive solicitation.**

## PART VII: COMPLIANCE REVIEW

### **7.1 STANDARDS FOR REASONABLE CAUSE: AFTER A CONTRACT HAS BEEN AWARDED**

- A. The AAO may find that a Contractor is not in compliance with contract requirements for reasons, which include, but are not limited to:**
  - 1. Documentation of information furnished by the contractor, which does not demonstrate that, a certified MBE/WBE is performing the work actually contracted.**
  - 2. Failure or refusal by a contractor to furnish information requested by the Authority.**
  - 3. Discovery of information, which is contrary to compliance information previously submitted by the contractor.**
  - 4. Contractor's failure, neglect or refusal to pay certified MBE/WBE subcontractor(s) for completed and approved work within seven (7) working days after payment by the Authority to the contractor.**
  - 5. Other facts discovered by the Authority's AAO.**
- B. Whenever the AAO determines it has reasonable cause to believe that a contractor is not in compliance or that the contractor has discriminated against certified WBE/MBEs, the AAO shall promptly prepare a written notice to be signed by the Contracting Officer and sent by certified mail to the contractor. The notice shall state the reasons for the AAO's belief that the contractor is not in compliance and/or has discriminated against certified MBE/WBEs. In response to said notice, the contractor shall be required to show cause within seven (7) working days why it should not be found:**
  - 1. In breach of contract, or**
  - 2. To have discriminated against certified MBE/WBEs.**
- C. Based upon information supplied by the contractor, if any, and other documentation and/or information, and with the approval of the General Manager of Contracts/Procurement, the AAO shall proceed expeditiously with an investigatory, evaluative review to clarify the allegations. In the event that the allegations are found to be valid by the AAO, said officer shall notify the Contracting Officer and Executive Director who shall send notification of such finding(s) to the contractor setting forth the appropriate remedial action.**

## **7.2 GOOD FAITH NON-COMPLIANCE**

- A. In cases where the AAO has cause to believe that a contractor, acting in good faith, has failed to comply with the provisions of the procedures, the AAO with the assistance and involvement of the Authority's Contracting Officer shall attempt to resolve the non-compliance through conciliation and persuasion.
- B. In conciliation, the contractor must satisfy the Authority that they have made their "Best Efforts" to achieve the agreed upon participation goals by certified MBE/WBEs. "Best Efforts" on the part of the contractor include:
  1. Entering a contractual relationship with the designated MBE/WBE in a timely manner, and fulfilling all contractual requirements.
  2. Notifying both the certified MBE/WBEs subcontractor and the Authority's AAO of any problems in a timely manner.
  3. Requesting assistance from the AAO in resolving any problems with certified MBE/WBEs.
  4. Making every reasonable effort to assist the certified MBE/WBE in the performance of its contract with the Authority.

## **7.3 WILLFUL NON-COMPLIANCE**

- A. In cases where the AAO has cause to believe that any Bidder, Proposer, or Contractor has failed to comply with the provisions of these procedures, said officer shall be empowered to conduct an investigation subsequent to written direction of the General Manager of Contracting/Procurement.
- B. After affording the Bidder, Proposer or Contractor notice and an opportunity to be heard, the AAO will be authorized to recommend sanctions for each violation of these procedures. Such sanctions may include, but are not limited to:
  1. Declare the bid or proposal as non-responsible and the Bidder/Proposer ineligible to receive the award of the contract or any other future contracts.
  2. Suspension from doing business with the Authority for a set period of time.
  3. Debarment.
  4. Withholding of payments under the contract.
  5. Other relief the AAO deems necessary, proper, and in the best interest of the Authority.

## **PART VIII: APPEALS**

### **8.1 STANDARDS OF APPEAL: AFTER THE CONTRACT HAS BEEN AWARDED**

**A Bidder, Proposer, or Contractor may appeal a decision pursuant to any action taken under the provisions of Part VII: Compliance Review, by filing a written grievance with the AAO. An appeal by the Bidder, Proposer or Contractor under this section shall not stay the AAO's finding(s).**

### **8.2 WRITTEN GRIEVANCE**

- A.** **The grievance shall set forth the reasons supporting it. The grievance shall be filed within ten (10) working days of the date that the finding, recommendation, proposal or other relief becomes effective. Failure to grieve in a timely manner shall be deemed a waiver of said right or breach of the conditions of this policy.**
- B.** **If a person requests a hearing at the time the grievance is filed, the AAO shall schedule a hearing within seven (7) working days of the date the grievance is filed, unless the person requesting a hearing agrees to a continuance provided it is not contrary to best interest of the Authority to permit the delay. The AAO shall notify in writing, the person filing the grievance, of the date, time and place of the hearing.**
- C.** **If a hearing is not requested, the AAO shall make a determination and notify the contractor within (7) working days.**

### **8.3 HEARING**

**Five (5) working days prior to a scheduled hearing, the AAO shall issue and serve a written notice, together with a copy of the grievance as filed, to all persons named in the grievance. Such persons may be required to appear before a hearing panel at the date, time and place specific in the notice.**

#### **8.3.1 PANEL**

- A.** **The Executive Director shall designate a panel of three (3) or more individuals, one (1) of whom will be a member of the Affirmative Action Oversight Committee, to preside at such hearing, and to render a written decision on the grievance.**
- B.** **A party may request testimony from any person when it is determined that such testimony may assist in the resolution of the grievance. All proceedings will be transcribed and a record shall be maintained.**
- C.** **Any person or heads of departments named in the grievance may file a written answer to the grievance, and may appear at such hearing in person.**
- D.** **The panel shall not be bound by the strict rules of evidence prevailing in the courts of law or equity.**

### **8.3.2 TESTIMONY**

- A. The testimony taken at the hearing shall be under oath.**
- B. The parties have a right to request that the notes of testimony be transcribed.**
- C. Testimony shall be taken by the panel and the person filing the grievance and person (s) and heads of departments named in the grievance shall be given an opportunity to be heard.**

### **8.4 DECISION**

- A. Within twenty (20) working days after the conclusion of the hearing, the panel shall render a written decision as to the validity of the grievance, as well as an appropriate recommendation.**
- B. A copy of the decision shall be sent by U.S. certified mail, returned receipt requested, to the grievant.**

### **8.5 EFFECT OF A PENDING DECISION**

**Pending a decision by the panel, the Philadelphia Housing Authority's Executive Director may stay any action pertaining to the grievance, if such stay is determined to be in the best interest of the Authority.**

## **PART IX: AFFIRMATIVE ACTION OVERSIGHT COMMITTEE**

The Philadelphia Housing Authority Board of Commissioners shall appoint an Affirmative Action Oversight Committee to monitor and evaluate the implementation and administration of the Affirmative Action Contract Compliance Program. The Oversight Committee shall have as its membership, at least one (1) member of the Board of Commissioners, Executive Director, General Counsel, and other individuals from the Authority's community at large. The Committee will prepare periodic reports for the Board and address related issues as requested by the Board of Commissioners.

**SCHEDULE OF PARTICIPATION**  
**"CERTIFICATION OF BEST EFFORTS"**

Specification Number: \_\_\_\_\_  
 Bidder: \_\_\_\_\_

Name \_\_\_\_\_

of

MBE/WBE	Detailed Description of Work	M/WBE PARTICIPATION		
		DOLLAR AMOUNT \$	PERCENT	
			MBE%	WBE%
NAME:				
ADDRESS:				
PHONE NO.:				
IRS ID#:				
CERT. NO.:				
CERT. AGCY:				
NAME:				
ADDRESS:				
PHONE NO.:				
IRS ID#:				
CERT. NO.:				
YES    NO <input type="checkbox"/> <input type="checkbox"/> Will any of this work be subcontracted by the M/WBE? (See Note #3) <input type="checkbox"/> <input type="checkbox"/> Will bidder assist M/WBE with any of this work? (See Note #4)				
YES    NO <input type="checkbox"/> <input type="checkbox"/> Will any of this work be subcontracted by the M/WBE? (See Note#3) <input type="checkbox"/> <input type="checkbox"/> Will bidder assist M/WBE with any of this work? (See Note #4)				

DUPLICATE THIS FORM IF YOU ARE LISTING MORE THAN TWO (2) M/WBE SUBCONTRACTORS

PLEASE NOTE:

1. A binding commitment must have been achieved with the M/WBE for the detailed work and dollar amount stated on this form.
2. M/WBE listed above must be certified by a certifying agency in order to be credited towards the required minimum participation goals.
3. If the M/WBE intends to subcontract more than 10% of the work detailed on this form, such subcontractors, description of work, and dollar amount must be listed on a duplicate copy of this form.
4. If the bidder plans to supply the M/WBE with materials, personnel or equipment, such assistance must be listed on this form in the block marked "Detailed Description of work."
5. Any change to this schedule (the named M/WBE, description of work, or dollar amount) must be approved in advance by the Affirmative Action Officer (AAO).

**SCHEDULE OF BINDING COMMITMENTS WITH MINORITY AND WOMEN OWNED BUSINESSES  
“CERTIFICATION OF BEST EFFORTS”**

**Specification Number:** \_\_\_\_\_

**Name of Bidder:** \_\_\_\_\_

**\*Bidder's are hereby notified that all firms listed above will be contacted to verify their level of participation.**

**Signature:** \_\_\_\_\_

**Name:**

**Title:**

## **DOCUMENTATION OF BEST EFFORTS**

**Specification  
Number:** \_\_\_\_\_

**Name  
of Bidder:** \_\_\_\_\_

### **CERTIFIED MINORITY/WOMEN OWNED BUSINESSES UNAVAILABLE TO PARTICIPATE IN THE CONTRACT.**

**List below the name of all certified minority/women owned businesses whose interest in the contract were solicited, but who were unavailable to work on this project or were unable to prepare a quote. State the reasons for the unavailability of certified minority/women owned businesses. In order to facilitate verification and avoid delays in contract awards, it is requested that each business listed below be identified on the “Affidavit of Unavailability of Certified Minority/Women Owned Businesses” (Page K-28).**

**INFORMATION AND ASSISTANCE PROVIDED TO CERTIFIED MINORITY/WOMEN OWNED BUSINESSES.**

**Include names and addresses of all certified minority/women owned businesses that you provided with plans, specifications, and requirements of the contract. Detail all assistance you provided to interested certified minority/women owned businesses and all your efforts at negotiation for specific sub-bids, and include any advertisements soliciting their participation.**

**I do hereby attest that I have exerted best efforts, but have been unable to obtain the required minimum participation goals for the following reason: \***

---

**Company Name**

---

**Specification Number**

---

**Name (Signature)**

---

**Title**

**\*You may attach supplemental pages and documentation if necessary.**

**AFFIDAVIT OF UNAVAILABILITY OF CERTIFIED  
MINORITY/WOMEN OWNED BUSINESSES**

**Specification  
Number:** \_\_\_\_\_

**Name  
of Bidder:** \_\_\_\_\_

I, \_\_\_\_\_, do hereby attest that

I was offered an opportunity to bid on the contract for:

---

**(Description of Contract)**

by \_\_\_\_\_  
**(Name of Prime Bidder)**

but was unavailable to participate/unable to prepare a quote (strike inappropriate phrase) for the following reasons:\*

---

**Name of Certified Minority/Women Owned Business**

---

**Address and Phone Number**

---

**Signature of Principal of Certified  
Minority/Women Owned Business**

---

**Title**

---

**Certifying Agency and Number**

\*You may attach supplemental pages and documentation if necessary.

## **GUIDELINES FOR JOINT VENTURING**

### **BETWEEN A PRIME CONTRACTOR AND A CERTIFIED MINORITY/WOMAN-OWNED BUSINESS ENTERPRISE**

If a Prime Contractor has made arrangements to enter into a joint venture partnership with either a certified MBE or WBE, the following criteria must be met in order to receive credit towards the minimum participation goals (MPGs):

- A. The MBE/WBE partner(s) must be certified by a governmental entity authorized by law to certify such enterprises prior to bid/proposal submittals.
- B. The MBE/WBE partner(s) must be substantially involved in all phases of the contract including, but not limited to, the performance, with its own work force, a portion of the on-site work, and administrative responsibilities such as bidding, planning, staffing and daily management.
- C. The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interests).
- D. If the certified partner(s) is a MBE, its participation may be credited to the extent of the partner's ownership interest in the joint venture. However, it will still be required to meet the WBE goal or vice versa.

## **JOINT VENTURE QUESTIONNAIRE**

**If you intend to receive credit towards the minimum participation goals (MPGs) by entering into a joint venture partnership with a certified MBE/WBE, you must complete this questionnaire and submit it along with your bid/proposal.**

**1. NAME OF THE JOINT  
VENTURE**

---

**2. ADDRESS OF THE JOINT VENTURE**

---

**3. TELEPHONE NUMBER (      )**

---

**4. CONTACT PERSON & TITLE**

---

---

**5. IDENTIFY BELOW ALL OF THE FIRMS WHICH COMPRIZE THE JOINT VENTURE PARTNERSHIP(S). IDENTIFY WHETHER THE FIRM IS A CERTIFIED MBE/WBE. INCLUDE CERTIFICATION NUMBER AND AGENCY WHERE APPLICABLE, AND INDICATE THE PERCENTAGE OF JOINT OWNERSHIP INTEREST.**

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

---

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

---

**NAME:**

**ADDRESS:**

**TELEPHONE NUMBER:**

**MBE \_\_\_\_\_ WBE \_\_\_\_\_**

**IRS ID#**

**CERTIFICATION NUMBER:**

**PERCENTAGE  
OF OWNERSHIP \_\_\_\_\_**

**CERTIFYING AGENCY:**

- 6. DESCRIBE, IN DETAIL, THE BUSINESS PURPOSE OF THE JOINT VENTURE PARTNERSHIP AND THE ROLE OF EACH FIRM IN THE JOINT VENTURE. INCLUDE INFORMATION REGARDING DAILY MANAGEMENT, BIDDING, PLANNING, ON-SITE WORK, AND STAFFING. ATTACH SUPPLEMENTAL PAGES IF NECESSARY.**
  
- 7. ATTACH A COPY OF THE JOINT VENTURE AGREEMENT.**

Any changes to the joint venture agreement attached hereto or to this questionnaire, including changes in any of the arrangements described herein, must be approved in advance by the Authority's Affirmative Action Officer.

Each undersigned does hereby attest that the foregoing statements are true and correct.

---

**NAME OF FIRM****NAME OF FIRM**

---

**SIGNATURE OF FIRM'S  
AUTHORIZED AGENT**

---

**SIGNATURE OF FIRM'S  
AUTHORIZED AGENT**

---

**PRINTED NAME****PRINTED NAME**

---

**TITLE****TITLE**

---

**DATE****DATE**

## **I. CERTIFICATIONS AND REPRESENTATIONS OF OFFERORS**

### **1. Offeror's Certification Of Eligibility**

- (a) By the submission of this proposal, the offeror certifies that to the best of its knowledge and belief:
- (i) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to be awarded contracts by any agency of the United States Government, HUD, or the State in which this Contract is to be performed;
  - (ii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to participate in HUD programs pursuant to 24 CFR Part 24;
  - (iii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of any State Government or of the City of Philadelphia or the Philadelphia Housing Authority from doing business with such Department or Agency for the period beginning 5 years prior to the date of this certification;
  - (iv) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has experienced default or noncompliance under any contract for the U.S. Department of Housing and Urban Development, or any other governmental agency with which it has contracts for the period beginning 10 years prior to the date of this certification;
  - (v) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has unresolved findings raised as a result of HUD audits, management reviews or any other Governmental investigations concerning the offeror or any person or firm which has an interest in the offeror's firm under any of the offeror's contracts;
  - (vi) There has not been a suspension or termination of payments under any HUD contract in which the offeror has a legal or beneficial interest attributable to the offeror's fault or negligence;
  - (vii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has defaulted on an

obligation covered by a bond and have not been the subject of a claim under any fidelity bond.

- (viii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been found by HUD or the Commonwealth of Pennsylvania to be in noncompliance with any applicable civil rights laws.
  - (ix) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is a Member of Congress or a Resident Commissioner or otherwise prohibited or limited by law from contracting with the Philadelphia Housing Authority.
  - (x) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm is an officer or employee or commissioner of the Philadelphia Housing Authority who is prohibited or limited by law from contracting with the PHA.
  - (xi) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been convicted of a felony and are not presently the subject of a complaint or indictment charging a felony. (A felony is any offense punishable by imprisonment for more than one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less.)
- (b) Statements above to which the offeror cannot certify (if any) have been deleted by striking through the words with a pen. The offeror has initialed each deletion (if any) and has attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which qualify the offeror as a responsible offeror for participation in this project.
  - (c) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the offeror knowingly rendered an erroneous certification, the Contract may be terminated for default, and the offeror may be debarred or suspended from participation in HUD and PHA programs and other Federal contract programs.

## **2. Small, Minority, Women-Owned Business Concern Representation**

The offeror represents and certifies as part of its offer that it:

check the

appropriate box

- (a) [ ] is, [ ] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

check the

appropriate box

- (b) [ ] is, [ ] is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

Certifying Agency & Certification Number (if applicable):  
\_\_\_\_\_

check the

appropriate box

- (c) [ ] is, [ ] is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

- (i) For the purpose of this definition, minority group members are:  
(check the block applicable to you)

[ ] Black Americans [ ] Asian Pacific Americans  
[ ] Hispanic Americans [ ] Asian Indian Americans  
[ ] Native Americans [ ] Hasidic Jewish Americans

(ii) Certifying Agency & Certification Number (if applicable):  
\_\_\_\_\_

provide certification  
number if applicable

### 3. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to the possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

### 4. Contingent Fee Representation and Agreement

- (a) The offeror represents and certifies as part of its offer that, except for full-time bona fide employees working solely for the offeror, the offeror:

check the  
appropriate box

check the  
appropriate box

- (i) [ ] has, [ ] has not employed or retained any person or company to solicit or obtain this Contract; and
  - (ii) [ ] has, [ ] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this Contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this Contract.
- (b) If the answer to either (a)(1) or (a) (2) above is affirmative, the offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.
  - (c) Any misrepresentation by the offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from Contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the Contract.

## 5. Certificate of Independent Price Determination

- (a) The offeror certifies that –
  - (i) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit a offer, or (iii) the methods or factors used to calculate the prices offered;
  - (ii) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
  - (iii) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
- (b) Each signature on the offer is considered to be a certification by the signatory that the signatory:
  - (i) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above; or

(ii)

- (1) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above (insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization):

complete if applicable

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- (2) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(i) through (a)(iii) above; and
- (3) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above.

- (c) If the offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.
- (d) The offeror further certifies that he/she has not been convicted or found liable for any act prohibited by state or federal law involving conspiracy or collusion with respect to proposing or bidding on any public contract within the last three years. Such act or conviction does not automatically disqualify an offeror, but may be grounds for administrative suspension or grounds for consideration by PHA as to whether PHA should decline to award a contract to such an offeror on the basis of a lack of responsibility. If offeror has been convicted of any act prohibited by State or Federal law involving collusion with respect to proposing or bidding on any public contract within the past three years, offeror should attach an explanation of the circumstances surrounding that conviction.
- (e) [ ] [check if following paragraph is applicable]

check the box  
if applicable

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Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

- (i) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.
- check the appropriate box**
- (ii) A fully executed "Non-collusive Affidavit" [ ] is, [ ] is not included with the bid. (See page I-12 for Affidavit form).

**6. Certification And Disclosure Regarding Payments To Influence Certain Federal Transactions (applicable to contracts exceeding \$100,000)**

**provide a date**

- (a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The offeror, by signing its proposal, hereby certifies to the best of his or her knowledge and belief as of \_\_\_\_\_, 20\_\_\_\_, that:
- (i) No Federal appropriated funds have been paid or will be paid 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 on his or her behalf in connection with the awarding of a contract resulting from this solicitation;
- (ii) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, 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 on his or her behalf in connection with this solicitation, the proposer shall complete and submit, with its proposal, OMB standard form LLL, "Disclosure of Lobbying Activities;" and
- (iii) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(iv) Submission of this certification and disclosure is a prerequisite for making or entering into this Contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

**7. Certification Of Nonsegregated Facilities (applicable to contracts exceeding \$10,000)**

- (a) The offeror's attention is called to the clause entitled "Equal Employment Opportunity" of Section I of the Terms and Conditions of the Contract.
- (b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, 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.
- (c) By the submission of this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the Contract.
- (d) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will--
  - (i) Obtain identical certifications from the proposed subcontractors;
  - (ii) Retain the certifications in its files; and
  - (iii) Forward the following notice to the 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 Non-segregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment 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).

**NOTE:** The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

**8. Clean Air And Water Certification (applicable to contracts exceeding \$100,000)**

The offeror certifies that (check the block applicable):

check the appropriate box

- (a) Any facility to be used in the performance of this Contract [ ] is [ ] is not listed on the Environmental Protection Agency List of Violating Facilities;
- (b) The offeror will immediately notify the PHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the offeror proposes to use for the performance of the Contract is under consideration to be listed on the EPA List of Violating Facilities; and,
- (c) The offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

**9. Drug-Free Workplace Certification**

By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$10,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, other than a contract for the procurement of commercial items, it will - no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed -

- (a) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is

prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

- (b) Establish an ongoing drug-free awareness program to inform such employees about:
  - (i) The dangers of drug abuse in the workplace;
  - (ii) The Contractor's policy of maintaining a drug-free workplace;
  - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Provide all employees engaged in the performance of the Contract with a copy of the statement required by subparagraph (a) of this provision;
- (d) Notify such employees in writing in the statement required by subparagraph (a) of this provision that, as a condition of continued employment on the Contract resulting from this solicitation, the employee will:
  - (i) Abide by the terms of the statement; and
  - (ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than five (5) calendar days after such conviction;
  - (iii) Notify the Contracting Officer in writing within ten (10) calendar days after receiving notice under Subdivision (d)(2) of this provision, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and
  - (iv) Within thirty (30) calendar days after receiving notice under subdivision (d)(2) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
    - (1) Take appropriate personnel action against such employee, up to and including termination; or
    - (2) Require such employee to satisfactorily participate 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.

- (e) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (a) through (d) of this provision.
- (f) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.
- (g) In addition to other remedies available to the PHA, the certifications required by this provision concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under title 18, United States Code, section 1001.

## **10. PHA Fraud Policy**

The offeror certifies that he/she has read the following PHA Fraud Policy, will adhere to it, and is aware of the penalties for failure to comply:

- (a) For purposes of this policy, and in concurrence with the PHA Office of Audit Compliance (OAC) mandate, “fraud” includes: fraudulent activity by any person employed by or contracting with the PHA; bribery and official corruption; theft of PHA funds, property or benefits; and serious breaches of integrity. Some examples of activities covered include: extortion/extortion attempts by PHA employees or officials; acceptance or solicitation of bribes; submission of fraudulent documents; employee collusion with contractors or vendors; material misstatements of facts in contracts or documents, relating to services performed or materials provided; bid rigging; and disclosure of confidential information.
- (b) Covered Parties
  - (i) All PHA employees and officials.
  - (ii) All contractors, subcontractors, vendors and consultants doing business with the PHA -
  - (iii) All owners of housing who receive subsidies from PHA.

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**NOTE: Contractors are responsible for compliance with this Fraud Policy by their subcontractors.**

(iv) Any other individual or entity doing business with or seeking to do business with the PHA.

(c) Responsibilities

(i) All “covered” parties” must report any type of fraud when they become aware of such activity, and they must cooperate fully with the OAC in any ensuing investigation.

(ii) “Fraud” must be reported to a representative of the PHA’s OAC, 2013 Ridge Avenue, Philadelphia, PA 19121, (215) 684-8300.

(iii) Management officials will support the Fraud Policy and ensure compliance with this policy by persons they supervise, and/or individuals and business entities that they deal with.

(d) Penalties For Failure To Report Fraud

Penalties for failure to timely report fraud can include: loss of contract and/or debarment from future contracts by contractors, subcontractors, vendors, and any other individual or entity doing business with the PHA; and other action deemed appropriate by PHA officials.

(e) Confidentiality

All information reported to the OAC is confidential, and the identity of those reporting information to the OAC will be protected.

(f) Whistle Blower Protection

(i) Anyone who provides information to the OAC may not be discharged, demoted or otherwise subject to any adverse action as a result of reporting wrongdoing. Any person who retaliates against someone for reporting wrongdoing may be subject to civil liabilities and penalties.

(ii) PHA Management supports the position that “whistle blowers” will be protected and commended for their honesty and dedication to the PHA.

(g) Authorized Negotiators

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals:  
(list names, titles, and telephone numbers of the authorized negotiators):

complete if applicable

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**11. Offeror's Signature**

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the information contained in the foregoing certifications and representations is true and correct.

\_\_\_\_\_  
Signature & Date

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Title

**NON-COLLUSIVE AFFIDAVIT**  
*(required if Certification & Representation Clause 5(e) is selected)*

State of \_\_\_\_\_

County of \_\_\_\_\_

\_\_\_\_\_, being first sworn, deposes and says: That he/she is \_\_\_\_\_ (president, sole owner, partner, etc.) of \_\_\_\_\_ (firm name) the party making the forgoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that no one conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of the affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, to secure any advantage against the Philadelphia Housing Authority or any person interested in the proposed contract: and that all statements in said proposal or bid are true.

By \_\_\_\_\_

Title \_\_\_\_\_  
(Affix Corporate Seal if required)

Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My commission expires \_\_\_\_\_.  
\_\_\_\_\_  
(Notary Seal Required)

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(for the right web agency)

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Hi, I'm Chris Upscale Johnson, and 5 years ago I started helping Web Agencies get WordPress & Web Dev Projects as part of my Program "Upscale Method". Now many have added \$100k/mo in additional revenue ([See Case Studies Here](#)) and I would like to help you do the same.

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Looking forward to your success!

Chris Upscale Johnson  
WordPress & Dev Leads - Agency Success Coach  
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Email: [chris@upscalemethod.com](mailto:chris@upscalemethod.com)

