

Request for Proposals (RFP): Environmental Review Services 24 CFR Part 58

Overview

An environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it complies with the National Environmental Policy Act (NEPA) and related laws and authorities. All HUD-assisted projects are required to undergo an environmental review to evaluate environmental Impacts. The analysis includes both how the project can affect the environment and how the environment can affect the project, site, and end users.

Part 50 and Part 58

The first step in the environmental review process is determining whether the HUD assistance falls under a Part 50 or Part 58 environmental review. This is usually specified in the Notice of Funding Availability, program regulations, or legislation. Part 58 and Part 50 are the sections of HUD regulations that implement that National Environmental Policy Act (NEPA). Part 50 applies to programs where HUD performs the environmental reviews, and Part 58 applies to programs that allow a responsible entity to perform the environmental reviews.

Environmental Analysis (Part 58)

Part 58 reviews may be subject to the requirements of 24 CFR 58.6, 24 CFR 58.5, environmental assessment factors, and the analysis under the National Environmental Policy Act.

Consulting Services

LAHC-Leaders Advancing and Helping Communities (“LAHC”) is requesting proposals from firms to provide consulting services related to 24 CFR Part 58, HUD Environmental Review Regulations. The selected consultant ("Consultant") will review LAHC provided Project Description, including any proposed scope of work and associated HUD funding, and determine the appropriate level of environmental review. The Consultant will conduct the environmental review and submit two copies of the completed review for execution by the Certifying Officers. The Consultant will also have experience submitting the Environmental Review in HEROs.

Background and Project Description

LAHC – Leaders Advancing and Helping Communities is a Michigan Non-Profit corporation and an approved charitable 501(c)(3) organization. LAHC’s programming is multifaceted –using a holistic approach to serve community members, we provide youth & workforce development programs, scholarship opportunities, mental health services, development disabilities and autism services, nutrition education, exercise and parenting programs that are tailored for women and girls, digital & financial literacy classes, substance use disorder prevention and place-based partnerships.

LAHC is also a community resource for access to educational programs, workforce development opportunities, ESL classes, housing assistance, and food distribution. Importantly, LAHC is a partner to other organizations, serving as a champion and advocate for immigrants, people who are Middle Eastern and North African (MENA), Spanish-speaking people, and people affected by

systemic racism, xenophobia, and/or generational poverty. LAHC's mission is to empower communities, one family at a time, by advancing the educational, social, health, and economic well-being of Southeast Michigan Residents.

In line with LAHC's mission to empower communities in Southeast Michigan by advancing educational, social, health, and economic well-being, LAHC is establishing a hub for workforce development, education, and training. LAHC was awarded a HUD Community Project Grant (CPF) in the amount of \$500,000 (Gant No. B-24-CP-MI- 1189). This Grant will be used to fund a new building addition to house LAHC's educational, social, health, and economic well-being programs.

LAHC purchased Saint Clements Church and the adjacent Rectory building, located at 5275 Kenilworth St. Dearborn, MI. 48126. LAHC rehabilitated and repurposed the 50-year-old church, successfully transforming it into a state-of-the-art facility that welcomes community members and connects them to critical programs and services. The current project entails the redevelopment and transformation of the 7130SF Rectory building (SF includes the basement) into a workforce development, education, and training hub. This scope of work entails the demolition of the existing Rectory building and garage as well as the design and construction of a new, 1 story 6500SF addition to the church. The Rectory building's existing footprint will be maintained and extended into the rear yard adjacent to the existing parking lot. Demolition of the Rectory building and garage will include removal of all above grade building materials, systems, assemblies, and structural elements as well as the removal and backfill of foundation assemblies as required.

The selected firm will provide environmental services in line with the following HUD requirements.

The project will fall into one of three categories:

1. Categorically excluded from NEPA, not subject to the related law and authorities at 58.5
 - 24 CFR 58.6 lists the following requirements for compliance:
 - Airport clear zones
 - Coastal barrier resources
 - Flood insurance
2. Categorically excluded from NEPA, but subject to the related laws and authorities at 58.5 (CEST)
 - 24 CFR 58.5 includes the following additional laws and authorities for compliance:
 - Air quality
 - Coastal zone management
 - Endangered species
 - Environmental justice
 - Explosive and flammable facilities
 - Farmlands protection
 - Floodplain management
 - Historic preservation
 - Noise abatement and control
 - Site contamination
 - Sole source aquifers
3. Environmental Assessment per 24 CFR 5836

- Environmental assessments require an additional set of components for analysis, including environmental assessment factors and the NEPA analysis.

Environmental Reviews will be undertaken by the Consultant selected under this request for proposal (RFP).

Scope of Services

The selected Consultant shall:

1. Review the Project Descriptions and contact LAHC to garner additional information as necessary to determine the appropriate level of environmental review and required timeframe for completion of the environmental review;
2. Provide LAHC with the determination of the level of environmental review, the projected start date, completion date, understanding of the project, scope of work, and fee schedule for the project.
3. The Consultant will initiate all necessary consultations and studies to complete the environmental review as described in the HUD Environmental Review Regulations. The scope of this RFP covers only the items necessary to complete that review. Separate studies (Phase I, Radon, Asbestos, Lead-Based Paint, geotechnical, biotic, archaeological, noise, traffic, etc.) that are required and known during the scoping stage shall be supplied to the Consultant by LAHC or, if not already obtained, included as an additional cost item in the Consultant's original fee schedule. Additional studies and consultations required that arise after the scoping stage may be included; only if the Consultant has notified LAHC of the need for the additional services, along with the cost, prior to initiating those services.

Section 106 Historic Review shall be conducted by the Consultant and included in the scope of work for the project. The Consultant will make a minimum of one site visit to examine and photo-document the location and surrounding environments and shall make additional visits as warranted.

4. LAHC will publish all required public notices if needed. The Consultant will provide the publication's text to LAHC staff. The Consultant will also provide LAHC with the text of all correspondence with other regulatory agencies required (SHPO, COE, ACHP, etc.) and then package and mail/ship or submit online to the information to the appropriate agency.
5. The Consultant will compile all necessary information in the format specified by HUD for that level of environmental review and provide LAHC with one copy for execution by the Certifying Officer. The final environmental review record will include all necessary source documentation presented in an orderly, easily understandable manner.

The Consultant to submit the Part 58 Environmental Review via HEROs and assign the review to the City of Dearborn staff persons Christopher Raschke and Priya Mohan.

6. The Consultant will assist LAHC in response to any public comments or questions received from HUD or any other federal or state regulatory agendas pertaining to the environmental review process.

The Consultant will be solely responsible for all costs Incurred during the environmental review process, including, but not limited to, travel time and costs, food, lodging, postage, shipping, reproductions, and subcontracts.

Submission Requirements

Responses to this RFP shall include, but need not be limited to, the following:

1. *Cover letter and Introduction*

A letter of introduction, which includes the name, address, telephone number, and email address of the contact person(s) authorized to represent your firm. This letter should be signed by an officer of the firm authorized to bind the firm to all commitments made in the response.

2. *Qualifications and Experience*

Provide descriptions of your firm's role, experience, and capability in providing specific NEPA compliance services to other HUD-funded clients in the past two years. Briefly describe your firm's general business capabilities and your ability to meet the required timelines.

3. *References*

Provide a list of three clients, including the organization name, contact person, telephone number, and address as well as brief descriptions of the scope of work.

4. *Approach*

Describe your firm's approach to completing the scope of work.

5. *Staffing*

Provide a list of staff members who will work on this contract, Including principals and staff- level personnel, along with the qualifications of each.

6. *Pricing*

Please provide a detailed pricing sheet that outlines all costs associated with the scope of work as determined by the Project Description as lump sum pricing.

7. *Section 3 and WMBE*

The Consultant must provide documentation regarding any claimed status as a Section 3 business or Women-Owned or Minority-Owned Business Enterprise- If applicable.

8. *Insurance*

The selected Consultant will be required to provide a certificate of insurance certifying that they have insurance coverage that will cover their employees while on LAHC's property and will protect LAHC from liability for the actions of their employees.

9. *HUD Forms*

- HUD 5369-B
- HUD 2992 Certification Regarding Debarment and Suspension
- Section 3 Business Certification

10. *Authorization*

The response must be signed by an individual authorized to bind the firm and shall contain a statement to the effect that the response is valid for at least 90 days.

11. *Due Date*

Electronic responses must be received by LAHC, see timeline below. The due date is subject to change. If the due date is changed, all known recipients of the original RFP will be notified of the new date.

12. Questions/Answers

All questions must be submitted in writing no later than, see timeline below. If any questions are received, questions will be answered via email by the timeline below.

LAHC will not provide verbal responses to any Inquiries made by prospective respondents.

Questions should be submitted to: Wassim Mahfouz: wmahfouz@lahc.org

Timeline

- RFP Issued - 12/18/2024
- ~~Questions in writing due 12/20/2024~~
- ~~Responses to questions and addendum issued 12/23/2024~~
- Proposals due – ~~2pm~~ **5 pm EST 1/3/2025-1/10/2024**
- Proposal evaluation - ~~1/06/2025~~ **1/15/2025**
- Consultant notified of preliminary selection, pending approvals: ~~1/10/2025~~ **On or before 1/20/2025**

Instructions for Submission of Response

Please submit via electronic submission in .pdf format to: Wassim Mahfouz: wmahfouz@lahc.org

Evaluation Criteria

Selection of the most qualified Consultant will determine the final contract award and be based upon a best value approach:

- Understanding of the scope of work as evidenced by the approach outlined - 10 points
- Competence, technical ability, and related experience - 20 points
- Knowledge of NEPA and other federal environmental regulations - 20points
- Lump Sum Cost Proposal - 30points
- Responsiveness to the Request for Qualifications - 10 points
- References - 10points

Total - 100points

Rules and Regulations

The issuance of this RFP does not constitute an agreement by LAHC that any contract will be entered into by LAHC. LAHC expressly reserves the right at any time to:

- a. Waive or correct any defect or informality in any response, submittal, or submittal procedure.
- b. Reject any or all responses.
- c. Re-issue this RFP or change the deadline dates.
- d. Modify all or any portion of the selection procedures, before the submission deadline, including deadlines for accepting responses, the specifications or requirements for any materials, equipment, or services to be provided under this RFP, or the requirements for contents or format of the responses.

All responses shall be deemed public records. If a respondent desires to claim portions of its response exempt from disclosure, it is incumbent upon the respondent to clearly identify those portions with the word "Confidential" printed on the lower right-hand corner of the page. LAHC will consider a respondent's request for exemption from disclosure; however, LAHC will decide based upon applicable laws. Assertions by a respondent that the entire submittal or large portions are exempt from disclosure will not be honored. All responses to this RFP shall become the property of LAHC and will be retained or disposed of accordingly.

LAHC shall not be liable for any pre-contractual expenses incurred by any respondent. LAHC shall be held harmless and free from all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

All data and information furnished by LAHC or referred to in this RFP are furnished for the respondents' convenience. LAHC does not guarantee that such data and information are accurate and assumes no responsibility whatsoever as to its accuracy or interpretation. Respondents shall satisfy themselves as to the accuracy or interpretation of all such information and data.

By submitting a response to this RFP, the respondent waives all rights to seek any legal remedies regarding any aspect of this RFP, LAHC's selection of a consultant, and LAHC's rejection of all responses.

LAHC also reserves the right to negotiate any price or provisions and accept any part, or all parts of any or all responses, whichever is in the best Interest of LAHC.

LAHC may, during the evaluation process, request additional respondent information, which LAHC deems necessary to determine the respondents' ability to perform the required services. If such information is requested, the respondent (s) shall be permitted three working days to submit this information.

All respondents submit their statements to LAHC with the understanding that the final approval of any agreement is contingent upon and subject to review and final approval by LAHC.

Non-liability of LAHC.

LAHC shall not be liable for any pre-contractual expenses incurred by the respondent or selected consultant or consultants. LAHC shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

Attachments

1. Other Requirement to Comply with Federal Statutes, Regulations and Terms and Conditions of the Federal Awards
2. Quick Start or Registering a New Entity in SAM.gov
3. Section 3 Final Rule and Addendum to Contract documents.

Date: 12/25/2028

Addendum to Request for Proposals (RFP):

Environmental Review Services

24 CFR Part 58

This Addendum serves to update the timeline provided in the original Request for Proposals (RFP) for Environmental Review Services. Below is the revised timeline:

Updated Timeline:

- **RFP Issued:** December 18, 2024
- **Proposals due:** 5:00 PM EST, January 10, 2025
- **Proposal evaluation:** January 15, 2025
- **Consultant notified of preliminary selection, pending approvals:** On or before January 20, 2025

All other terms and conditions outlined in the original RFP remain unchanged. Please ensure compliance with the updated timeline for submission and evaluation.

Attachments

1. Other Requirement to Comply with Federal Statutes, Regulations and Terms and Conditions of the Federal Awards
2. Quick Start or Registering a New Entity in SAM.gov
3. Section 3 Final Rule and Addendum to Contract documents.

[This document must be an attachment to any Federal procurement/solicitation](#)

**OTHER REQUIREMENTS TO COMPLY WITH FEDERAL STATUTES,
REGULATIONS AND TERMS AND CONDITIONS OF THE FEDERAL AWARD**

The Community Project Funds (“CPF”) administered by the Department of Housing and Urban Development (HUD) available to the Contractor through this agreement constitute a subaward of the Grantee’s Federal award under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. This agreement includes terms and conditions of the Grantee’s Federal award that are imposed on the Contractor, and the contractor agrees to carry out its obligations in compliance with all of the obligations described in this agreement.

A. General Compliance

The Contractor shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 CFR part 570, as modified by the Federal Register notices that govern the use of CPF funds available under this agreement. These Federal Register notices include, but are not limited to, Federal Register, Volume 87, No.100, Tuesday, May 24, 2022 and Federal Register, Volume 88, No. 11, Wednesday, January 18, 2023. Notwithstanding the foregoing, (1) the Contractor does not assume the any of Grantee’s responsibilities for environmental review, decision-making, and action, described in 24 CFR part 58 and (2) the Contractor does not assume any of the Grantee’s responsibilities for initiating the review process under the provisions of 24 CFR Part 52. The Contractor shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CPF funds in complying with its obligations under this agreement, regardless of whether CPF funds are made available to the Contractor on an advance or reimbursement basis.

B. Duplication of Benefits

The Contractor shall not carry out any of the activities under this agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5155) and described in Appropriations Act. The Contractor must comply with HUD’s requirements for duplication of benefits, imposed by Federal Register notice on the Grantee, which are identical to Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The Contractor shall carry out the activities under this agreement in compliance with the Grantee’s procedures to prevent duplication of benefits.

C. Drug Free Workplace

Drug-free workplace. Contractors must comply with drug-free workplace requirements in Subpart B of part 2429, which adopts the governmentwide implementation (2 CFR part 182) of sections 5152-5158 of the Drug- Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

D. Insurance and Bonding

The Contractor shall comply with the bonding and insurance requirements of 24 CFR §310 and §200.326.

E. Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards

The Contractor shall comply with the applicable provisions in 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. These provisions include:

1. Financial & Program Management

The Contractor shall expend and account for all CPF funds received under this agreement in accordance with 2 CFR part 200, including subpart D, which covers Standards for Financial and Program Management.

2. Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior Federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this agreement, except for the following:

(i) Depreciation methods for fixed assets shall not be changed without the approval of the Federal cognizant agency.

(ii) Fines, penalties, damages, and other settlements are unallowable costs to the CPF program.

(iii) Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445);

(iv) Organization costs (2 CFR 200.455); and

(v) Pre-Award Costs, as limited by this agreement.

F. Documentation and Record Keeping

1. Records to be Maintained

The Contractor shall establish and maintain records sufficient to enable the Grantee to (1) determine whether the Contractor has complied with this agreement, applicable Federal statutes and regulations, and the terms and conditions of the Grantee's Federal award and (2) satisfy recordkeeping requirements applicable to the Grantee. These records include the records described in Section III. of this agreement, Scope of Service

At a minimum, the Contractor shall maintain records required by:

Contractor shall maintain records required by 24 CFR 570.506 as if the requirements in 24 CFR 570.506 were directly imposed upon the Contractor.

To comply with 24 CFR 570.490 the Contractor agrees to maintain records sufficient to enable HUD to make the determinations described at 24 CFR 570.493, and maintains any records necessary for fair housing and equal opportunity purposes.

The Contractor shall maintain financial records as required by 24 CFR 570.502, and 2 CFR part 200, including records necessary to demonstrate compliance with all applicable procurement requirements; and other records necessary to document compliance with this agreement, any other applicable Federal statutes and regulations, and the terms and conditions of Grantee's Federal award.

2. Access to Records

The Contractor shall permit the Grantee and auditors to have access to the Contractor's records and financial statements as necessary for the Grantee to meet its audit requirements under the Federal award and comply with 2 CFR 200.336, 24 CFR 200.331(b), and 24 CFR 570.508.

3. Record Retention and Transmission of Records to the Grantee

Prior to grant closeout of this agreement, the Contractor must transmit to the Grantee records sufficient for the Grantee to demonstrate that all costs under this agreement met the requirements of the Federal award.

Contractor shall retain financial records, supporting documents, statistical records, and all other Contractor records pertinent to this agreement and Contractor subaward for the longer of 3 years after the expiration or termination of this agreement, or 3 years after the submission of the Grantee's annual performance and evaluation report, as prescribed in § 91.520 of this title or in the applicable Federal Register notices governing the use of the funds, in which the specific activity is reported on for the final time.

The preceding requirement is however, subject to the following exceptions:

(i) Records for activities subject to the reversion of assets provisions at 24 CFR § 570.503(b)(7) or change of use provisions at 24 CFR § 570.505 must be maintained for as long as those provisions continue to apply to the activity, otherwise, records for real property and equipment acquired under this agreement must be retained for 3 years after final disposition;

(ii) Records for individual activities for which there are outstanding loan balances, other receivables, or contingent liabilities must be retained until such receivables or liabilities have been satisfied;

(iii) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken;

(iv) When the Contractor is notified in writing by HUD, the cognizant agency for audit as defined in 2 CFR 200.1, the oversight agency for audit as defined in 2 CFR 200.1, the cognizant agency for indirect costs as defined in 2 CFR 200.1, or the Grantee, the Contractor shall extend the retention period consistent with the notification;

(v) When records are transferred to or maintained by HUD or the Grantee, the 3-year retention requirement is not applicable to the Contractor;

(vi) (If the Grantee is required to report on program income after the period of performance) The retention period for the records pertaining to the earning of the program income (as defined in this agreement) starts from the end of the Grantee's fiscal year in which the program income is earned; and

(vii) For indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates), and their supporting records:

a. If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the Grantee) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

b. If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the Grantee) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.]

4. Client Data and Other Sensitive Information

The Contractor is required to maintain data demonstrating client eligibility for activities provided under this agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided.

The Contractor must comply with 2 CFR §200.303 and take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR 200.1, and other information HUD or the Grantee designates as sensitive or the Contractor considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

G. Grant Closeout

The Contractor shall closeout its use of the CPF funds and its obligations under this agreement by complying with the closeout procedures in 2 CFR § 200.344. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records.

Notwithstanding the terms of 2 CFR § 200.344, upon the expiration of this agreement, the Contractor shall transfer to the recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds, further, any real property under the Contractor control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the Contractor in the form of a loan) shall be treated in accordance with 24 CFR 570.503(b)(7).

H. Audits, Inspections, and Monitoring

1. Single Audit

The Contractor must be audited as required by 2 CFR part 200, subpart F when it is expected that the Contractor's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

2. Inspections and Monitoring

The Contractor shall permit the Grantee and auditors to have access to the Contractor's records and financial statements as necessary for the Grantee to meet the requirements of 2 CFR part 200.

The Contractor must submit to monitoring of its activities by the Grantee as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this agreement.

This review must include: (1) reviewing financial and performance reports required by the Grantee; (2) following-up and ensuring that the Contractor takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Contractor from the Grantee detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Contractor from the Grantee as required by 2 CFR §200.521.

3. Corrective Actions

The Grantee may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. The Grantee may require the Contractor to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the contractor from the pass-through entity detected through audits, on-site reviews, and other means. In response to audit deficiencies or other findings of noncompliance with this agreement, Grantee may impose additional conditions on the use of the CPF funds to ensure future compliance, or provide training and technical assistance as needed to correct noncompliance.

The Contractor shall be subject to reviews and audits by the Grantee, including onsite reviews of the Contractor as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2).

I. Procurement and Contractor Oversight

The Contractor shall comply with the procurement standards in 2 CFR §200.318 - §200.326 when procuring property and services under this agreement.

The Contractor shall impose the Contractor's obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

The Contractor must comply with CDBG regulations regarding debarred or suspended entities at insert 24 CFR 570.609. CDBG funds may not be provided to excluded or disqualified persons.

The Contractor shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement.

J. Property Standards

Real property acquired by the Contractor under this agreement shall be subject to 24 CFR 570.505 and the Contractor shall also comply with the Property Standards at 2 CFR 200.310, 2 CFR 200.312, 2 CFR 200.314 through 2 CFR 200.316. The Contractor shall also comply with 2 CFR 200.313 Equipment, except that when the equipment is sold, the proceeds shall be program income, and equipment not needed by the Contractor for activities under this agreement shall be transferred to the Grantee for its CPF program or shall be retained after compensating the Grantee.

K. Federal Funding Accountability and Transparency Act (FFATA)

The Contractor shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

L. Nondiscrimination

1. 24 CFR part 6

The Contractor will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The Contractor will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CPF funds. Thus, the Contractor shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

2. Architectural Barriers Act and the Americans with Disabilities Act

The Contractor shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of “residential structure” as defined in 24 CFR 40.2 or the definition of “building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The Contractor shall comply with the laws, regulations, and executive orders referenced in 24 CFR 570.607 regarding employment and contracting to the extent they are applicable.

3. Title VI of the Civil Rights Act of 1964 (24 FR part 1)

(i) General Compliance:

The Contractor shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352), as amended and 24 CFR 570.601 and 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Contractor shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 CFR part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 CFR part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

(ii) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Contractor assures that the program or activities described in this Agreement will be conducted and the housing,

accommodations, facilities, services, financial aid, or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to this part 1.

If the Federal financial assistance under this agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Contractor's assurance herein shall obligate the Contractor or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the Contractor for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives the Grantee and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CPF funds and provided to the Contractor Under this Agreement, the instrument effecting any disposition by the Contractor of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the Contractor receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

4. Affirmative Action

(i) Approved Plan

The Contractor agrees that it shall carry out pursuant to the Grantee's specifications an Affirmative Action Program in compliance with the President's Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 41 chapter 60. The Grantee shall provide Affirmative Action guidelines to the Contractor to assist in the formulation of such program. The Contractor shall submit a plan for an Affirmative Action Program for approval prior to the release of funds under this agreement.

(ii) Women- and Minority-Owned Businesses (W/MBE)

The Contractor shall take the affirmative steps listed in 2 CFR 200.321(b)(1) through (5) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used, when possible, when the Contractor procures property or services under this agreement.

(iii) Notifications

The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Contractor's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(iv) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that it is an Equal Opportunity or Affirmative Action employer.

M. Labor and Employment

1. Labor Standards

The Contractor shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis- Bacon Act, as amended (40 U.S.C. 3141, et seq.), and 29 CFR part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

The Contractor agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The Contractor shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the Grantee for review upon request.

N. Section 3 of the Housing and Urban Development Act of 1968

1. Compliance

The Contractor shall comply with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, and implementing its implementing regulations at 24 CFR part 75.

To the greatest extent feasible, employment opportunities generated, in whole or in part, by the assistance provided under this Agreement shall be directed toward "Section 3" residents (low and very low income residents; particularly, persons in public assisted housing, persons in the neighborhood served by the Agreement, participants in HUD Youthbuild programs and homeless persons).

O. Conduct

1. Hatch Act

The Contractor shall comply with the Hatch Act, 5 USC 1501 – 1508, and shall ensure that no funds provided, nor personnel employed under this agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

2. Conflict of Interest

In the procurement of supplies, equipment, construction, and services pursuant to this agreement, the Contractor shall comply with the conflict-of-interest provisions in 2 CFR 200.317 and 200.318. In all cases not governed by 2 CFR 200.317 and 200.318, the Contractor shall comply with the conflict-of-interest provisions in 24 CFR 570.611.

3. Lobbying Certification

The Contractor hereby certifies that:

(i) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 in connection with 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) If any funds other than 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 in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

(iii) shall require that the language of paragraph (a) through (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Contractors shall certify and disclose accordingly; and

(iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is required by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

P. Religious Activities

The Contractor agrees that funds provided under this agreement shall not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

Q. Environmental Conditions

1. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Contractor must comply with the limitations in 24 CFR 58.22 even though the Contractor is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making, and action (see 24 CFR part 58) and is not delegated the Grantee's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance, and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of Federal funds for the activity.

2. Air and Water

The Contractor shall comply with the following requirements insofar as they apply to the performance of this agreement:

- Air quality. (1) The Clean Air Act (42 U.S.C. 7401 et. seq.) as amended; particularly section 176(c) and (d) (42 U.S.C. 7506(c) and (d)); and (2) Determining Conformity of Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency—40 CFR parts 6, 51, and 93).
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, including the requirements specified in Section 114 and Section 308 of the Federal Water Pollution Control Act, as amended, and all regulations and guidelines issued thereunder;

3. Flood Disaster Protection

The Contractor shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a. Additionally, the Contractor shall comply with Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a), which includes a prohibition on the provision of flood disaster assistance, including loan assistance, to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. Section 582 also includes a responsibility to notify property owners of their responsibility to notify transferees about mandatory flood purchase requirements. More information about these requirements is available in the Federal Register notices governing the CPF award.

4. Lead-Based Paint

The Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, J, K, and R, which apply to activities under this agreement.

5. Historic Preservation

The Contractor shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title 54 of the United States Code, and the procedures set forth in 36 CFR part 800 insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

R. Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701–3708](#))

Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C. 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)). Under [40 U.S.C. 3702](#) of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of [40 U.S.C. 3704](#) are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

S. Rights to Inventions Made Under a Contract or Agreement

If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

T. Debarment and Suspension (Executive Orders 12549 and 12689)

A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by

agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

U. Byrd Anti-Lobbying Amendment ([31 U.S.C. 1352](#))

Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by [31 U.S.C. 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

V. 200.323 - Procurement of recovered materials

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only 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, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

W. 200.216 - Prohibition on certain telecommunications and video surveillance services or equipment.

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

(1) Procure or obtain;

(2) Extend or renew a contract to procure or obtain; or

(3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in [Public Law 115-232](#), section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National

Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(b) In implementing the prohibition under [Public Law 115–232](#), section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

(c) See [Public Law 115–232](#), section 889 for additional information.

(d) See also [§ 200.471](#).

X. § 200.322 Domestic preferences for procurements

(a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

(1) “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

(c) Federal agencies providing Federal financial assistance for infrastructure projects must implement the Buy America preferences set forth in [2 CFR part 184](#).

[[85 FR 49543](#), Aug. 13, 2020, as amended at [88 FR 57790](#), Aug. 23, 2023]



Quick Start Guide for Getting a Unique Entity ID in SAM.gov

In order to become a contractor with the City of Dearborn's Home Rehabilitation Program, you must have a Unique Entity ID from SAM.gov. This ID must be renewed each year.

You can get a Unique Entity ID (SAM) for your organization without having to complete a full entity registration. If you only conduct certain types of transactions, such as reporting as a sub-awardee, you may not need to complete an entity registration. Your entity may only need a Unique Entity ID (SAM).

If you want to only get a Unique Entity ID (SAM) and do not want to complete a full entity registration in SAM.gov, choose either A., B. or C. below that best describes your entity and read further on for those instructions:

- A. Your entity has a DUNS Number and is registered in SAM.gov
- B. Your entity has a DUNS number and is NOT registered in SAM.gov
- C. Your entity does not have a DUNS Number

A. Your entity has a DUNS Number and is registered in SAM.gov

If you have an active or inactive registration in SAM.gov today, you've already been assigned a Unique Entity ID (SAM). It's viewable on your entity registration record in SAM.gov.

B. Your entity has a DUNS Number and is not registered in SAM.gov

If you currently have a DUNS Number, only need to get a Unique Entity ID (SAM), and do not want to complete a full entity registration in SAM.gov, follow these steps to get a Unique Entity ID (SAM):

1. Go to SAM.gov and select "Sign In" from the upper right corner of the page. If you do not have a SAM.gov account, you will need to create one. SAM.gov uses Login.gov for authentication. Once you create your user credentials, you will return to SAM.gov to complete your profile.
2. After you sign in, the system will navigate you to your Workspace. On the "Entity Management" widget, select the "Get Started" button.
3. On the next page, enter information about your entity. All fields are required, unless marked as optional.
4. On the next page, validate that the information provided is correct. If the information

provided does not match your Dun & Bradstreet record exactly, you will be able to proceed. For assistance updating your Dan & Bradstreet record, please contact Dun & Bradstreet.

Deselect the check box near the bottom of the page if you want to restrict the public viewing of your entity information in SAM.gov. If you deselect the check box, only you and federal government users will be able to view your Unique Entity ID (SAM) record. Other entities and users of SAM.gov will not be able to view your Unique Entity ID (SAM) record. Then, select "Next."

5. On the next page, your entity is validated. You will be asked to certify that you are authorized to conduct transactions on behalf of your entity. Select the check box to certify, then select the "Request Unique Entity ID" button.
6. On the last page, your Unique Entity ID (SAM) will be displayed and you can begin to use it for your entity.

C. Your entity does not have a DUNS Number.

After April 4, 2022, the federal government will have no requirement for the DUNS Number. You can get a Unique Entity ID (SAM) for your entity on SAM.gov. The Unique Entity ID (SAM) is provided to entities who request to only get a Unique Entity ID (SAM) and to entities who complete an entity registration.

Sign in to your SAM.gov account and the system will navigate you to your Workspace. On the "Entity Management" widget, select the "Get Started" button to begin requesting your Unique Entity ID (SAM).

CITY OF DEARBORN

Section 3 Final Rule and Addendum to Contract Documents

What is Section 3 and the Purpose?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (12 U. S. C. 1701u) that is regulated by the new provisions of 24 CFR 75. Section 3 regulations ensure employment and other economic development opportunities generated by federal financial assistance for housing and community development programs are, to the greatest extent feasible, directed toward low-and very low-income persons, particularly those who receive government assistance for housing and to business concerns which provide economic opportunities to low-income persons.

Defining a Section 3 Project

Site or sites together with any building and improvements located on the site(s) that are under common ownership, management, and financing.

- Section 3 applies to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

Defining a Section 3 Worker

- A Section 3 Worker is any worker who **currently fits**, or **when hired within the past five years** fit, at least one of the following categories, as documented:
 - A low or very low-income worker
 - Employed by a Section 3 business concern
 - A Youthbuild participant

Targeted Section 3 Worker

- Employed by a Section 3 business concern
- Currently fits or when hired fit at least one of the following categories as documented within the past five years:
 - A resident of public housing or Section 8-assisted housing
 - A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance
 - A YouthBuild participant
 - Living within the service area or the neighborhood of the project, as defined in 24 CFR 75.5

Section 3 Service Area Defined

- A. *Service Area* = an area within one mile of the Section 3 project
or
- B. If less than 5,000 people live within one mile of Section 3 project,
Then, *Service Area* = an area within a circle centered around the Section 3 project site that encompasses 5,000 people

Redefining Section 3 Business Concerns

A Section 3 Business Concern is:

- 51% or more owned and controlled by low or very-low income persons
or
- Over 75% of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers
or
- 51% or more owned and controlled by current residents of public housing or Section 8-assisted housing

What are the HUD Low-Income and Very Low-Income Limits?

HUD 2024 Adjusted Income Limits (as of **June 15, 2024** subject to change without notice):

Detroit-Warren, MI HUD Metro Income Limits	
30% AMI Limits	\$20,150
50% AMI Limits	\$33,600
60% AMI Limits	\$40,320
80% AMI Limits	\$53,700
A worker cannot exceed this amount	

A Section 3 Worker is any worker who currently fits, or when hired within the past five years fit, at least one of the section 3 worker categories, as documented above under Defining a Section 3 worker. **The five-year period for a worker cannot begin before November 30, 2020, effective date of the final rule.**

What if a recipient can't meet the quantitative benchmarks plus prioritization of effort?

Provide evidence that they have made **qualitative** efforts to assist low and very low-income persons with employment and training opportunities.

What is a Labor Hour?

Hours worked by all workers employed on a Section 3 Project.

Benchmarks

- 25% or more of all labor hours must be worked by Section 3 Workers
- 5% or more of all labor hours must be worked by Targeted Section 3 Workers

Section 3 Worker Benchmarks

$$\frac{\text{Total Section 3 Labor Hours}}{\text{Total Labor Hours}} = 25\%$$

$$\frac{\text{Targeted Section 3 Labor Hours}}{\text{Total Labor Hours}} = 5\%$$

Certification: For a Targeted Section Worker (HCD Assistance –Subpart)

1. *An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;*
or
2. An employer's certification that the worker is employed by a Section 3 business concern;
or
3. A worker's self-certification that the worker is a YouthBuild participant.

Tracking Compliance with Contractor

Below lists the process and procedures for tracking contractor and sub-contractor compliance.

1. Each Contractor bidding on a Section 3 project will be required to submit a Recruiting Summary during the bidding process identifying “to the greatest extent feasible” what measures they took to recruit and hire “qualified” Section 3 Workers and Targeted Section 3 Workers.
2. Each Contractor must submit in writing with their bidding information any eligible and qualified Section 3 Workers or Targeted Workers
3. Each Contractor must submit a Section 3 Worker and Targeted Section 3 Worker Self-Certification Form (form provided by City of Dearborn)
4. **This requirement is the same for ALL Sub-contractors that are hired during the course of Section 3 Projects. It is the responsibility of the Contractor to retrieve the Section 3 compliance information before the Sub-contractor start working on the project.**

Required reporting of total labor hours and Section 3 labor hours.

5. Contractors must track Section 3 compliance by:
 - Identifying and tracking total labor hours worked on project
 - Identifying and tracking Section 3 labor hours worked on project
 - Identifying and tracking Targeted Section 3 labor hours worked on project

****ATTENTION CONTRACTORS** THIS FORM MUST BE COMPLETED AND SUBMITTED WITH YOUR BID FORM.**

**City of Dearborn
Section 3 Recruiting Summary**

Each Contractor bidding on this Section 3 project is required to identify and submit a listing “to the greatest extent feasible” what measure they took to recruit and hire “qualified” Section 3 Workers and Targeted Section 3 Workers.

1.)

2.)

3.)

Section 3 regulations ensure employment and other economic development opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low-income persons. To the greatest extent feasible, I agree to adhere to the Section 3 regulations at 24 CFR 75.

Contractor Signature

Date

CITY OF DEARBORN

Section 3 Worker and Targeted Section 3 Worker

Self-Certification Form

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

Eligibility for Section 3 Worker or Targeted Section 3 Worker Status

A Section 3 Worker seeking certification shall self-certify and submit this form to the recipient contractor or subcontractor, that this person is a Section 3 Worker or Targeted Section 3 Worker as defined in 24 CFR Part 75.

Instructions: Enter/select the appropriate information to confirm your Section 3 Worker or Targeted Section 3 Worker status.

Employee Name: _____

1. Are you a resident of public housing or a Housing Choice Voucher Holder (Section 8)?

YES NO

2. Are you a resident of the City of Dearborn? YES NO

3. In the field below, select the amount of individual income you believe you earn on an annual basis.

Less than \$10,000 \$30,001 - \$40,000 More than \$60,000

\$10,001 - \$20,000 40,001 - \$50,000

\$20,001 - \$30,000 \$50,001 - \$60,000

Select from ONE of the following two options below:

Section 3 Worker (as defined on page 2).

Targeted Section 3 Worker (as defined on page 2).

Certification: For a Section Worker

One of the following certifications must be maintained:

1. A worker's self-certification stating that their income is below the income limit;

2. A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
3. Certification from a PHA, or the owner or property manager of Project-Based Section 8-assisted housing, or the administrator of Tenant-Based Section 8-assisted housing that the worker is a participant in one of their programs;
4. An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or
5. An employer's certification that the worker is employed by a Section 3 business concern.

Certification: For a Targeted Section Worker (HCD Assistance –Subpart)

4. An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;
or
5. An employer's certification that the worker is employed by a Section 3 business concern;
or
6. A worker's self-certification that the worker is a Youth Build participant.

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A worker income cannot exceed	

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