

GREENSBORO HOUSING AUTHORITY

REQUEST FOR PROPOSALS (RFP)

FOR

Solid Waste Collection and Disposal Services

For

**Administration Building and Public Housing and
Project Based Voucher Communities**

January 2017

GREENSBORO HOUSING AUTHORITY
Request for Proposals
Solid Waste Collection & Disposal Services

January 2017

Introduction

The Greensboro Housing Authority (GHA) seeks proposals from qualified independent providers of solid waste disposal service companies for the collection, and disposal of residential and commercial waste as specified in this solicitation. The provider doing so is automatically agreeing to abide by all terms and conditions listed herein and with the following attachments. Below are the following proposal options:

- Option 1: Provision of solid waste containers only
- Option 2: Provision of collection of solid waste disposal only

GHA communities consist of five (5) regions which are made up of public housing and Project Based Voucher communities. GHA is requesting proposals for these five regions plus administrative properties. It is GHA's intent to have a single vendor contracted to supply waste containers to all specified properties and a single vendor contracted to do collection and waste disposal. The same vendor may or may not be awarded for both services.

*Note: Each RAD property (Hampton Homes, Claremont Courts, Hall Towers, Gateway Plaza, Hickory Trails, Lakespring, Woodland Village, Abby Courts) will have an individual contract and will need to be invoiced separately.

Depending on the proposals received, GHA intends to issue contracts for the contract period March 1, 2017 through February 28, 2018 with four one year options to renew. Based on the evaluation criteria a contract(s) will be awarded.

RFP Information At A Glance

Housing Authority Contact	William Brown Telephone: (336)303-3125 Email wbrown@gha-nc.org
How To Obtain Required HUD Documents	<ol style="list-style-type: none">1. Access www.gha-nc.org2. Select Vendors3. Select Current Bids/Requests for Proposal4. Select HUD Forms required for RFP

How to Submit RFP Proposal(s)	As outlined on page 9, proposals should be submitted in sealed envelopes and delivered to: Attn: John Brittain 450 N Church Street Greensboro, NC 27401
Proposal Submittal Deadline	2 PM – Monday February 6, 2017

Scope of Services and Specifications

GHA is seeking proposals from independent providers with demonstrated professional competence, experience and licensing to collect, and dispose of residential and commercial waste materials for one (1) GHA Administration building, eleven (11) Public Housing communities, and eight (8) RAD communities.

1. Regulatory – Contractor shall install any required equipment and begin operation within thirty days after contract execution as specified herein. Contractor shall comply with all applicable federal, state and local laws, rules, regulations, ordinances and codes obtain any licenses or permits required to provide the services under this RFP.
2. Product Quality Standard – Contractor shall use products for the collection and disposal of solid waste (dumpster roll offs, compactors, etc.) and equipment that meet or exceed the specifications included herein and in all cases shall meet or exceed the requirements of HUD and local building codes and comply with industry standards and norms.
3. Inspections – All installations shall be subject to inspection and approval by a GHA representative. Final approval rest solely with GHA.
4. Licensing – Contractor shall be licensed as required by the jurisdiction and state of North Carolina as needed in which the services is to be performed and the license shall be current and in good standing. Copies of applicable license shall be included in RFP.
5. General Contractor Requirements –
 - a. Contractor is responsible for field verifying all quantities and dimensions for the placement of dumpsters. Failure to verify shall not relieve the Contractor of his/her obligations under any resulting contract.
 - b. Contractor shall follow the manufacturer’s recommendations during the installation of any equipment. If the manufacturer’s recommendations cannot be followed the Contractor shall present safe viable alternatives to the Property Manager.
 - c. Contractor shall include in his/her proposal all costs for equipment, materials, hardware, labor, profit and overhead necessary and required to accomplish the tasks specified herein and as outlined in the cost proposals forms. All costs shall be full

burdened.

- d. Any products listed herein are to reference a known quality and level of performance. GHA will consider alternate brands of equal quality and performance. The Proposer must indicate on the Proposal Fee Sheet if they are proposing alternate products, and provide complete manufacturer's specification. In all cases GHA shall be the final determiner of equality. All substitutions will be approved in writing; no oral approvals shall be recognized.

6. Property Locations – (See listing in **Attachment A**)

7. Property Manager Contact – For Access to the properties contact the following:

Region 1 – Elaine Herbin	336 669 3301
Region 2 – Linda Hollingsworth	336 669 3032
Region 3 – Arthur Roebuck	336 669 3038
Region 4 – Ralph Poindexter	336 669 3012
Region 5 – Veronica Harris Spencer	336 669 3316
Administration – William Brown	336 669 3125

8. Utilities – contractor is responsible for determining the presence of overhead or underground utility line, pipes, wires, etc. which may affect the location of disposal receptacles. GHA will assist the Contractor where possible by providing known general locations of existing utility infrastructure. If during his/her work the Contract discovers unmarked or previously unknown utilities he/she shall immediately notify the Property Manager.

9. Section 3 Utilization – Contractor shall utilize Section 3 residents as defined in Attachment B to perform the requirements under this proposal to the greatest extent feasible and shall document such efforts quarterly. There is a 30% goal for hiring Section 3 residents on any contract(s) resulting from this RFP. Contractor will be evaluated on his/her performance at achieving this goal and such evaluations shall be a factor in future awards. Contractor must submit a detailed Section 3 utilization plan with his/her proposal. Failure to submit such plan may result in disqualification of the proposal.

10. Responsibility for Subcontracts – All requirements for the “Prime” contractor shall also apply to any and all subcontractors. It is the Prime Contractor’s responsibility to insure the compliance by the subcontractors. Regardless of subcontracting. The Prime Contractor remains liable to GHA for the performance and compliance of the subcontractor(s).

11. Placement – The placement of all materials and/or equipment upon the property shall be made in consultation with the Property Manager.

12. Dumpster Specifications – The dumpsters shall meet the following minimum specifications:

- a. Containers shall be available in eight cubic yard capacities for general waste disposal and may be front, side or rear load styles as determined by the contractor and Property Manager to best suit the conditions for pickup;
 - b. General waste dumpsters shall have hinged covers to limit and/or prevent the blowing of refuse and the contamination of the waste by water and where applicable side access doors to ease the dumping of waste by residents;
 - c. Containers shall be and kept in good repair with no major damage or missing components and completely painted either a single solid color or with the companies standard paint scheme.
 - d. No advertisement shall be placed on the containers beyond Contractor's name, address, phone number and logo and any additional information required by Federal, State or local law, statute, ordinance, rule or regulation;
 - e. Contractor shall keep general waste containers (dumpsters) de-odorized and sanitized and shall remove the containers and steam clean them off-site on a quarterly basis. Each container removed shall have another immediately put in its place to prevent any inconvenience or disruption in service.
 - f. Containers that become damaged because of fire, accident, vandalism or other events and with become unusable, unsafe or unsightly shall be replaced within 24 hours after notification.
13. Frequency – The frequency of service shall be determined by the individual properties and typically service shall occur twice per week. Additional service may be required either on an overall basis or during high volume events (ex. Christmas)
14. Contact – Contractor shall provide a contact number for properties to call for missed pickups and/or additional pickups. This phone must be answered by an individual employee of the disposal service during normal business hours. Answering service or automated services are acceptable only for after hours, holidays or weekends.
15. Missed Pickups – Contractor shall arrange to pickup missed containers at no additional charge to GHA not later than four (4) hours after notification or 12:00 noon the next day if notice is received after 1:00 p.m.
16. Fleet – The GHA properties are varied and diverse and will likely require more than one type or style of container to most efficiently service a given set of properties. The Contractor's fleet and equipment inventory shall be able to address these varied circumstances and shall not attempt to force a single solution for all properties.
17. Damage to GHA Property – Contractor shall repair or replace without charge any GHA property that is damaged by Contractor's vehicles, equipment and/or operators.
18. Disposal Sites – Contractor shall provide a listing of his proposed disposal sites. All disposal sites shall be properly licensed and/or permitted.

RFP Forms, Documents, Specification and Drawings

1. Prior to submitting a proposal in response to the RFP, it shall be each prospective proposer's responsibility to examine carefully and, as may be required, properly complete all documents issued pursuant to this RFP.
2. Unless otherwise instructed, specifications and drawings (if provided) do not purport to show all of the exact details of the work. They are intended to illustrate the character and extent of the performance desired under the proposed contract and may be supplemented or revised from time to time.
3. Catalogs, brand names or manufacturer's references where provided are descriptive only and indicated type and quality desired. Proposals on brands of like nature and quality will be considered unless specified otherwise. If proposing other than references, proposal submittal shall show manufacturer, brand or trade name, and other description of product offered. If other than brand(s) specified is offered, illustrations and complete description of products offered must be included in the proposal submittal. Failure to take exception to specifications or referenced data will require Contractor to furnish specified brand names, numbers, etc.

Instructions and Notice for Proposers

1. General

The instructions below provide guidance for the preparation and submission of proposals. Their purpose is to establish the requirements; format and content of proposals so that proposals are complete, contain all essential information and can be evaluated fairly. The following represents the extent of the instructions and conditions:

2. Addenda

All questions and requests for information must be addressed in writing to the issuing officer listed below. The issuing officer will respond to all such inquiries in writing by addendum which will be posted on www.gha-nc.org for all prospective proposers to review.

Greensboro Housing Authority
450 North Church Street
Greensboro, North Carolina 27401
Attention: William Brown, Procurement Analyst
(336) 303-3125
wbrown@gha-nc.org

3. Submission Date

Proposals shall be submitted in **original and three (3) copies** to enable the Evaluation Committee to thoroughly evaluate the proposals and to arrive at a sound determination as to whether or not the contractor can meet the requirements set forth in this RFP. Proposals shall be submitted in sealed envelopes and marked "Solid Waste Collection and Disposal Services". **All proposals shall be received no later than 2:00 p.m. local time on Monday, February 6, 2017**, and submitted to the address identified in paragraph 2 above. **Faxed or email proposals shall not be accepted.** Since proposals are submitted in confidence and may contain proprietary information, they are not opened publicly. After the closing date, all proposals received are opened and evaluated in confidence. Proposals and any changes to those proposals are shown only to PHA personnel who have been authorized by the Contracting Officer as having a legitimate interest in them on the condition that information in the proposals will not be released to anyone who has not been so authorized. Faxed or emailed proposals shall not be accepted. All proposals shall be valid for 90 days.

4. Acknowledgment of Amendments

Proposers shall acknowledge in their proposals receipt of amendment(s) to this RFP by signing the document on the acknowledgment line of the amendment. A proposer's failure to acknowledge an amendment may result in rejection of the offer.

5. Default by Contractor

In the event of default by the successful contractor, GHA may procure the services specified from other sources. The contractor agrees to reimburse GHA for any additional costs incurred as a result of such default.

6. Awards

- GHA reserves the right to cancel this RFP or to reject, in whole or in part, any and all proposals received in response to this RFP, upon its determination that such cancellation or rejection is in the best interests of GHA.
- GHA reserves the right to waive any minor informalities in any proposals received if it is in the public interest to do so, and to make multiple awards if in the best interest of GHA.
- The decision as to who shall receive a contract award or whether or not an award shall be made as a result of this RFP shall be at the absolute, sole discretion of GHA.
- GHA reserves the right to terminate a contract awarded pursuant to this RFP at any time for its convenience upon 10 days written notice to the successful proposer(s).
- GHA reserves the right to: a) to make award to the same bidder for all; or, b) to make award to multiple bidders.
- Materials delivered or installed in error shall be removed or corrected at the successful proposer's expense.

7. Complete and Accurate Submission

A proposer's failure to provide accurate information in response to this RFP may disqualify the proposer from further participation in the janitorial services selection process.

A proposal may be corrected, modified, or withdrawn, provided that the correction, modification, or request for withdrawal is made by the proposer in writing and is received at the place prior to the date and time designated in the RFP for final receipt of proposals. After such date and time, the proposer may not change any provision of its proposal in a manner prejudicial to the interests of GHA and/or fair competition.

GHA shall have no obligation to compensate any proposer for any costs incurred in responding to this RFP.

8. Retention

All proposals are the property of the Greensboro Housing Authority, shall be retained by GHA, and shall not be returned to the proposer.

9. Insurance

Within ten (10) days after the award of the contract and prior to the commencement of work, the Contractor shall furnish GHA with evidence showing that the following insurance is in force and will cover all operations of the contract:

- Worker's Compensation Insurance – in accordance with state law, for all employees working on the project.
- Contractors Liability in limits not less than \$100,000/\$300,000 bodily injury and \$100,000 property damage, or as required by law. This insurance should protect the Contractor against claims for personal injury, death, and damage to the property of others. This insurance shall cover the use of all equipment and vehicles on the work sites.
- Automobile Liability in limits not less than \$100,000 bodily injury and \$50,000 property damage.

All insurance shall be carried with companies that are financially responsible. If such insurance is due to expire during the contract period, the Contractor shall not permit the coverage to lapse and shall furnish evidence of coverage to GHA.

10. Subcontractors

- Unless otherwise stated within the RFP documents, the successful bidder may not use any

subcontractors to accomplish any portion of the services described within the RFP documents or the contract without the prior written permission of the GHA BM.

- The subcontractor shall not enter into any sublet work assigned and contracted through the prime contractor. The prime contractor shall be responsible for the compliance by all subcontractors. A breach of this compliance may be grounds for termination of the contract and for debarment as a contractor and subcontractor.

11. References

At least three references, including company name, contract person, addresses and telephone number, all addresses of public housing authorities and/or similar organizations for whom has been performed within the past three years, must be submitted as part of the proposal.

12. Negotiations:

GHA reserves the right to negotiate all elements which comprise the proposal and to accept or reject part or all of any proposal. GHA reserves the right to require additional technical and pricing information and negotiate all elements which comprise the Vendor's proposal that the best possible consideration be afforded to all concerned. GHA reserves the right to purchase additional modules or features from the successful proposer after execution of the initial contract.

13. Modification and Amendments:

GHA shall have the right to modify this order subject to an adjustment in the price in accordance with the applicable provisions of the Purchase Order, if any, or pursuant to mutual agreements. No agreement or understanding to modify this order shall be binding on GHA unless it is in writing and signed by an authorized representative of GHA.

Although intended to be functional in nature, the requirements outlined in this request for proposal represents GHA's desired specifications and performance level. Proposers are invited to take exception to any of the specifications; however, these must be noted and supported with written documentation. When exceptions are taken, the proposers are encouraged to offer alternative solutions and /or additional features in their proposals.

GHA reserves the right to purchase additional modules or features from the successful proposer after execution of the initial contract if deemed necessary or beneficial to GHA.

14. Operating Manuals:

If requested by GHA, the proposer shall provide a complete set of operational instructions and descriptive literature for proper evaluation of the product proposed.

15. Special Tools:

In the event that special tools are required to operate or maintain the equipment installed, the successful proposer shall furnish these tools at no cost to GHA.

16. Guarantees and Warranties:

Each proposer shall submit a complete breakdown of any warranties or guarantees provided by the manufacturer or Respondent with the quote submitted.

17. Employee Training:

The successful proposer shall provide on-site (or via webinars if necessary) instruction to designated GHA employees as required to operate the equipment purchased.

18. Maintenance Agreement:

Proposals should include what maintenance support is included.

19. Presentations

Presentations and verification of the proposer's ability to provide these services, when required, must be furnished free of cost to GHA.

Evaluation Process and Criteria

All proposals will be evaluated based on the evaluation criteria outlined below. The Evaluation Committee will discuss all presentations and review all proposals according to the evaluation factors and points to determine which proposals are competitive and which are noncompetitive. Those proposals determined to be competitive will be further evaluated and scored. Negotiations may be held with one or more proposers with negotiations resulting in a contract for services.

Evaluation Criteria

Proposal evaluation factors include:

1. Experience of the proposer in all aspects of solid waste services including but not limited to Public Housing communities and/or HUD subsidized projects, and with communities/buildings of similar size and scope: 35 points
2. The proposer's capacity to handle this project in a timely manner: 30 points
3. Cost of Services: 25 points. The cost will not be the sole determinant for award of contract.
4. Quality of the company's reference: 10 points

Required Documents

1. Certified statement that neither the firm nor members of the firm are debarred, suspended or otherwise prohibited from professional practice by any federal, state, or local oversight, regulatory or law enforcement authority.
2. Statement that the firm is financially sound and has financial resources sufficient to successfully execute this prospective project in the time frame outlined.

3. Statement that the firm operates in full compliance with all applicable civil rights and nondiscrimination statutes, executive orders, rules and regulations.
4. Statement evidencing firm's knowledge of federal, state and local codes, especially as they relate to this project.
5. Affidavit of non-collusion.
6. HUD Forms 5369-B and 5369-C
7. HUD Forms 5370-C
8. Certification of intention to comply with Section 3 requirements
9. U. S. Department of Labor Wage and Hour Division Form (<http://www.gha-nc.org/files/pdf/landlords/forms/IRS%20W-9.pdf>)

(Intentionally Left Blank)

**Greensboro Housing Authority
Solid Waste Collection and Disposal Services
Proposal Information Form**

Information to be submitted to the Greensboro Housing Authority (GHA) by contractors for consideration for the solid waste collection and disposal services RFP:

I. Contractor Information:

Contractor's Name:

(Note: If you have conducted business under any other name in the last five years, list that name also.)

Address & Telephone:

Representative: _____

Email Address: _____

II. Experience with Projects of Similar Size and Scope:

III. Solid Waste Collection Equipment:

List of Equipment (make and model) to be dedicated to this contract:

IV. Solid Waste Disposal:

V. Manpower:

List of Manpower to be dedicated to this contract:

VI. References:

References: Below, list three references contact names, Company, addresses and telephone numbers of parties for whom comparable work has been performed in the past three years.

1. _____

2. _____

3. _____

Cost of Services by Communities:

Submit total annual cost based on Option 1: Provision of Solid Waste Containers Only.

Option 1: Provision of solid waste containers only

Public Housing and Project Based Voucher Communities	# Of Units	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 03/01/19 - 02/28/20	Fourth Year Option 03/01/20 - 02/28/21	Fifth Year Option 03/01/21 - 02/28/22
Region 1								
Claremont Courts	250	19						
Lakespring	60	3						
Applewood	50	3						
Woodberry Run	39	3						
Baylor Court (curb side)	11	1						
Total	410	29						
Region 2								
Hampton Homes	282	19						
Hickory Trails	127	12						
Woodland Village	27	1						
Abby Courts	14	1						
Total	450	33						
Region 3								
Smith Homes	430	28						
Total	430	28						
Region 4								
Ray Warren	236	17						
Silver Briar	50	3						
Pear Leaf	50	3						
Laurel Oaks	50	3						
River Birch	50	4						
Foxworth	34	2						
Total	470	35						

Public Housing and Project Based Voucher Communities	# Of Units	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 03/01/19 - 02/28/20	Fourth Year Option 03/01/20 - 02/28/21	Fifth Year Option 03/01/21 - 02/28/22
Region 5								
Gateway Plaza*	221	3						
Hall Towers*	156	3						
Stoneridge	50	3						
Total	427	9						

Administration Building	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 02/01/19 – 01/31/20	Fourth Year Option 02/01/20 – 01/31/21	Fifth Year Option 02/01/21 – 01/31/22
Central Office	1						

Exchange out fee \$ _____

* Note: Alternate Saturday Add On – 4 hours for Gateway Plaza and Hall Towers.

Please note the containers for Gateway Plaza and Hall Towers are trash compactors not dumpsters.

Cost of Services by Communities:

Submit total annual cost based on Option 2: Provision of Collection of Solid Waste Disposal Only.

Option 2: Provision of collection of solid waste disposal only

Public Housing and Project Based Voucher Communities	# Of Units	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 03/01/19 - 02/28/20	Fourth Year Option 03/01/20 - 02/28/21	Fifth Year Option 03/01/21 - 02/28/22
Region 1								
Claremont Courts	250	19						
Lakespring	60	3						
Applewood	50	3						
Woodberry Run	39	3						
Baylor Court (curb side)	11	1						
Total	410	29						
Region 2								
Hampton Homes	282	19						
Hickory Trails	127	12						
Woodland Village	27	1						
Abby Courts	14	1						
Total	450	33						
Region 3								
Smith Homes	430	28						
Total	430	28						
Region 4								
Ray Warren	236	17						
Silver Briar	50	3						
Pear Leaf	50	3						
Laurel Oaks	50	3						
River Birch	50	4						
Foxworth	34	2						
Total	470	35						

Public Housing and Project Based Voucher Communities	# Of Units	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 03/01/19 - 02/28/20	Fourth Year Option 03/01/20 - 02/28/21	Fifth Year Option 03/01/21 - 02/28/22
Region 5								
Gateway Plaza*	221	3						
Hall Towers*	156	3						
Stoneridge	50	3						
Total	427	9						

Administration Building	# of Containers	Size Of Container	First Year Total Cost 03/01/17 - 02/28/18	Second Year Option 03/01/18 - 02/28/19	Third Year Option 02/01/19 – 01/31/20	Fourth Year Option 02/01/20 – 01/31/21	Fifth Year Option 02/01/21 – 01/31/22
Central Office	1						

Exchange out fee \$ _____

* Note: Alternate Saturday Add On – 4 hours for Gateway Plaza and Hall Towers.

Please note the containers for Gateway Plaza and Hall Towers are trash compactors not dumpsters.



PUBLIC & INDIAN HOUSING

ANNUAL SECTION 3 SUMMARY REPORTING REQUIREMENTS

*TECHNICAL ASSISTANCE ON FORM HUD-60002

Applicability of Section 3 to Public and Indian Housing Programs

Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 135] represents HUD's policy for providing preference to low- and very low-income residents of the community where the funds are spent (regardless of race or gender), and the businesses that substantially employ these persons for new employment, training, and contracting opportunities created from the usage of covered HUD funds.

The requirements of Section 3 apply to **all Public Housing Authorities (PHAs)** regardless of size or number of units [Section 8-Only Housing Authorities are exempt].

The requirements also apply to **all contractors** that receive awards from PHAs, regardless of the dollar amount of the contract.

Section 3 applies to the following types of Public and Indian Housing assistance:

- Public Housing Operating subsidies
- Public Housing Capital Funds for Development and Modernization;
- Hope VI Revitalization Grants;
- Resident Opportunities and Self-Sufficiency (ROSS) Grants;
- Family Self-Sufficiency (FSS) Grants;
- Lead Hazard Control Grants; and
- Economic Stimulus Funding

Recipient Responsibilities Pursuant to Section 3

Each PHA (and their contractors, subcontractors, or subrecipients) are required to comply with the requirements of Section 3 for **new** employment, training, or contracting opportunities resulting from the expenditure of covered funding. This responsibility includes:

1. Implementing procedures to notify Section 3 residentsⁱ and business concernsⁱⁱ about training, employment, and contracting opportunities generated by Section 3 covered assistance;
2. Notifying potential contractors working on Section 3 covered projects of their responsibilities;
3. Incorporating the Section 3 Clause into all covered solicitations and contracts [see 24 CFR Part 135.38];
4. Facilitating the training and employment of Section 3 residents and the award of contracts to Section 3 business concerns;
5. Assisting and actively cooperating with the Department in making contractors and subcontractors comply;
6. Refraining from entering into contracts with contractors that are in violation of Section 3 regulations;
7. Documenting actions taken to comply with Section 3; and
8. Submitting Section 3 Annual Summary Reports (form HUD-60002) in accordance with 24 CFR Part 135.90.

Section 3 Summary Reports (Form HUD-60002)

Annually, each PHA is required to submit form HUD-60002 to HUD's Economic Opportunity Division in Washington, DC. Pursuant to 24 CFR 135.90, form HUD-60002 is due at one of the following intervals:

- 1) Where the program providing Section 3 covered funding requires the submission of an annual performance report (eg., CAPERs report, etc.), form HUD-60002 shall be submitted at the time that the annual report is due;
- 2) If the program providing the Section 3 covered funding does not require an annual report, form HUD-60002 shall be submitted by January 10th of each year; or
- 3) Form HUD-60002 shall be submitted within 10 days of project completion (e.g., if the project is completed prior to January 10th).

Determining What Should Be Reported on Form HUD-60002

Section 3 Annual Summary Reports are intended to measure each PHA's efforts to comply with the statutory and regulatory requirements of Section 3 in its own operations **AND** those of contractors, subcontractors, and subrecipients.

Accordingly, each submission of form HUD-60002 should indicate the following:

- The total dollar amount of HUD funding that was received by the PHA during the specified reporting period.
- The total number of new employees that were hired by the PHA or its contractors, subcontractors, and subrecipients.
- The amount of new employees that were hired by the PHA or its contractors, subcontractors, and subrecipients, that met the definition of a Section 3 resident.
- The total number of man hours worked on covered projects (optional).
- The aggregate number of hours worked by Section 3 residents on covered projects (optional).
- The total number of Section 3 residents that participated in training opportunities that were made available by the PHA, its contractors, subrecipients, or other local community resource agencies.
- The total dollar amount of construction and/or non-construction contracts (or subcontracts) that were awarded with HUD funding received by the PHA.
- The dollar amount of the PHA's construction or non-construction contracts (or subcontracts) that were awarded to Section 3 business concerns.
- Detailed narrative descriptions of the specific actions that were taken by the PHA, covered contractors, subcontractors, subrecipients, or others to comply with the requirements of Section 3 and/or meet the minimum numerical goals for employment and contracting opportunities.

****PHAs must submit a separate form HUD-60002 for each type of covered financial assistance (e.g., separate reports must be submitted for Operating Subsidies and Capital funding).**

Important Notes for Submitting HUD-60002

- Use the online Section 3 Summary Reporting System at: www.hud.gov/section3 to ensure that your report is received by the appropriate HUD office in a timely manner.
- The “reporting period” option in the online Section 3 Summary Reporting System (box #7) lists quarters but the Section 3 reporting is an annual requirement. Accordingly, recipients should select **Quarter 4** to document the total amount of covered activities that took place during the entire year.
- PHAs should follow the same 12-month reporting period (i.e., fiscal, program, or calendar year) that is used for other HUD reports. If the PHA does not have other HUD reporting requirements, the Section 3 reporting period will follow the 12-month calendar year.
- Section 3 reports document compliance during the previous year (or reporting period). For instance, reports submitted on January 10, 2009, document the PHA’s efforts to comply with Section 3 during 2008.
- If the PHA (or its contractors, subcontractors and subrecipients) did not hire any new employees during the reporting period, and/or if no construction or non-construction contracts were awarded, the PHA must state this in Part III of form HUD-60002 and certify that this information is true and accurate by penalty of law.

Form HUD-60002 and Section 3 Compliance Determinations

Absent evidence to the contrary, the Department considers PHAs to be in compliance with Section 3 if they meet the minimum numerical goals set forth at 24 CFR Part 135.30ⁱⁱⁱ:

- a. 30 percent of the aggregate number of new hires shall be Section 3 residents;
- b. 10 percent of the total dollar amount of all covered construction contracts shall be awarded to Section 3 business concerns; and
- c. 3 percent of the total dollar amount of all covered non-construction contracts shall be awarded to Section 3 business concerns.

[PHAs that fail to meet the numerical goals above bear the burden of demonstrating why it was not possible.](#) Such justifications should describe the efforts that were taken, barriers encountered, and other relevant information that will enable the Department to make a compliance determination.

** Recipients that submit Section 3 reports containing **all zeros**, without a sufficient explanation to justify their submission, are in **noncompliance** with the requirements of Section 3.

Failure to comply with the requirements of Section 3 may result in sanctions, including: debarment, suspension, or limited denial of participation in HUD programs pursuant to 24 CFR Part 24. PHAs that are subject to annual A-133 Audits may also receive an audit finding for failure to submit form HUD-60002 to HUD.

Where Are Reports Submitted

Form HUD-60002 must be submitted to HUD's Economic Opportunity Division, in Washington, DC. Recipients are strongly encouraged to submit form HUD-60002 online at: www.hud.gov/section3.

Recipients can also download a hard copy of form HUD 60002 from the website listed above. Hard copies shall be submitted via fax or mail to:

U.S. Department of Housing and Urban Development
Attn: Economic Opportunity Division
451 Seventh Street, SW
Room 5235
Washington, DC 20410
202-708-1286 (fax)

Additional Section 3 Guidance and Technical Assistance

The Economic Opportunity Division is committed to providing PHAs guidance and technical assistance for compliance with the requirements of Section 3.

For additional information, please visit the Section 3 website at: www.hud.gov/section3. This webpage provides the following tools and information:

- Section 3 Statute—12 U.S.C. 1701u
- Section 3 Regulation—24 CFR Part 135
- Frequently Asked Questions
- Section 3 Model Programs
- Guidance on Section 3 and Economic Stimulus Funding
- Guidance on Section 3 and the Neighborhood Stimulus Program (NSP)
- Sample Section 3 Certification Forms (residents and business concerns)
- Link to HUD's Local Income Eligibility Calculator
- Link to Section 3 Annual Reporting System(form HUD-60002)
- Downloadable Forms
- Contact Information for Economic Opportunity Division staff
- Email inquiries on Section 3 can be sent to section3@hud.gov

ⁱ Section 3 residents are defined as: 1) residents of public housing; or 2) individuals that reside in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and meet the definition of a low- or very low-income person as defined by HUD).

ⁱⁱ Section 3 business concerns are defined as one of the following: 1) businesses that are 51 percent or more owned by Section 3 residents; 2) businesses whose permanent, full-time employees include persons, at least 30 percent of whom are current Section 3 residents or were Section 3 residents within 3 years of the date of first employment with the business concern; or 3) businesses that provide evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in the two previous categories.

ⁱⁱⁱ See Safe Harbor language at 24 CFR Part 135.30(d)