Section 3 Review & Implementation Plan Overview

Section 3 Improvements In Place

- **Better understanding of rules by contractors**: HACM approved a new Section 3 Plan in January, 2015, and improved forms that will be part of each and every contract. No contract will be signed unless there is an approved Section 3 Action Plan by the contractor, approved by the HACM Section 3 Coordinator.
- Section 3 Resident Registry:
 In August 2015, HACM developed a Section 3 resident registry to enable low income individuals and public housing residents self-certify as Section 3, and to list their job skills.

Section3Registry.hacm.org



• **Section 3 Business Registry**: Use of the Office of Small Business Development database to include self-certification of Section 3 businesses.

Section 3 Improvements In Place

- Section 3 Coordinator & Case Managers: Acts as liaison to help link interested/qualified residents to jobs with contractors. Under Choice, there will also be case managers working with Westlawn residents to assist them with employment, education and training needs. Finally, due to the size of the construction project, HACM will also hire a separate organization to help monitor Section 3 for Westlawn.
- Training: In 2015, HACM implemented a YouthBuild training program.
 To date, 9 individuals (PH and Section 8) passed the Homebuilders Institute
 Pre-Apprenticeship Certificate Training (HBI PACT) and by July 2016, 21 individuals
 will have been trained. Other low income individuals are being trained in the
 Northcott and MCC YouthBuild programs.
- **Monitoring**: Using software (LCPTracker) to track payroll reports, including looking at unreported new hires.
- Additional Outreach: HACM has been conducting efforts to recruit residents to apply for jobs and register with the Section 3 Registry, including a 9/9/15 job fair.

Section 3 Goals

Minimum numerical Section 3 goals

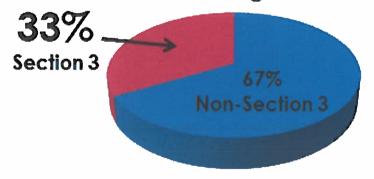
- 30% Section 3 new hires
- 3% of professional services/non-construction contracts to Section 3 business concerns
- 10% of construction contracts to Section 3 business concerns

Hiring & Contracting 10/2013 to 3/2015

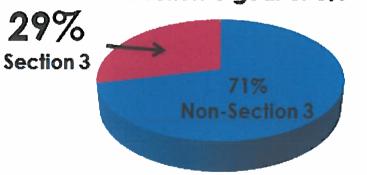
Section 3 Contracting

(10/1/2013 to 3/31/2015)

Building Trades (\$2,546,491) Section 3 goal of 10%



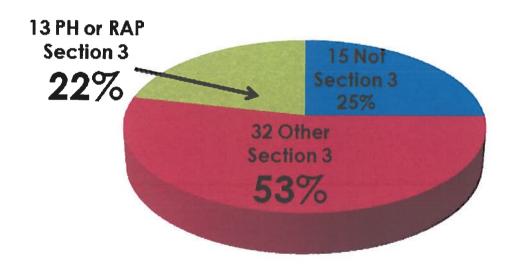
Other Services (\$5,543,705) Section 3 goal of 3%



Hiring & Contracting 10/2013 to 3/2015

Section 3 New Hires (60 total)

(10/1/13 to 3/31/15)



75% Section 3 New Hires

Goal of 30%

Data from Westlawn Gardens Phase 1

81 of 326 new hires

were Section 3 individuals 25% vs. 30% goal
No public housing residents hired

74%

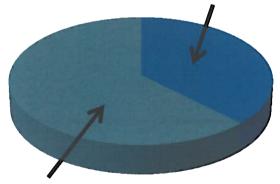
of the Section 3 new hires lived in the City of Milwaukee

23%

lived in 53218 and immediately surrounding zip codes around Westlawn

Section 3 individuals worked 37.5% of the total hours of all new hires

Section 3 (25% of new hire workforce) 40,163 hours (37.5% of work)



Non-Section 3 (75% of hew hire workforce) 66,978 hours (62.5% of work)

Data from Westlawn Gardens Phase 1

Section 3 Contracting

Construction contracts
17.6% (10% goal)

Professional service contracts (architecture, engineering, construction management)

0% (3% goal)

While not related to Section 3, HACM's Emerging Business Enterprise (EBE) Program produced results in excess of HACM's goal.

EBE (MBE/WBE/DBE) Participation 25% Goal

38%

of professional service contracts and

43%

of construction service contracts were awarded to EBEs.