

# Yolo County Housing

## Request for Proposals

### **Developer – Countrywest II Single Family Residential Development Project**

**RFP #2015001**

**Issued:** October 2015

**Due:** November 10, 2015

#### **I. Introduction**

Yolo County Housing (Agency) is pleased to issue a Request for Proposals (RFP) for the development of single family homes on 6 separate vacant parcels located in Esparto in unincorporated Yolo County. The lots are current joined into 3 lots, but can be separated into 6. The lots are currently zoned R1. The purpose of this RFP is to solicit development and financing plans from capable developers experienced in building single family homes. Offerors should have the capacity to commit specific resources to:

- Prepare residential designs that complement and enhance the surrounding neighborhood;
- Prepare and process all permits and entitlements as may be required by the County of Yolo, and;
- Assemble a project team, including an experienced general contractor, architect, and real estate agent to design, build, and complete the sale of the single-family homes to eligible homebuyer farmworkers.

#### **Project History**

In the early 2000's, the Agency acquired the properties with CDBG assistance through the County of Yolo. The Agency also received a Joe Serna, Jr grant for the development of housing. That project did not move forward. Now the Agency is making the lots available for development for homeowners consistent with the eligibility requirements under CDBG and Serna. These units would be developed for homeownership for farmworker families at or below 80% of median income. The Agency is seeking a non-profit or for-profit developer to construct these new for-sale homes on the Development Sites.

## **Project Objectives**

The following is a list of the Agency's project objectives:

1. New development of quality single-family homes on vacant lots;
2. Promote long-term homeownership;
3. Quality design that integrates with the character of the local community;
4. Minimize Agency assistance; and
5. Promote local employment, possibly through development partners, contractors, or suppliers.

The desired timeline for project completion is 18 – 24 months, beginning immediately following the transfer of the property to the Developer. The project will be considered complete at the close of escrow on the last home to a qualified homebuyer. The selected developer will enter into agreements with the Agency specifying responsibilities, obligations, and timing for development of the property.

## **Agency Assistance**

As part of the proposal, the Developer will be required to submit a financing plan, development proforma, and proposed development schedule. Responding developers should clearly specify the anticipated financing sources and private equity that they intend to contribute to the project. The Agency will be contributing the land and its existing improvements.

Developer will be responsible for the marketing and sale of the homes to income eligible buyers. The goal is to provide long-term affordable housing opportunities as for sale farmworker homeowner occupants earning not more than 80% of the area's median income (as may be adjusted for family size), and who have completed 8 hours of approved homebuyer education counseling. A Regulatory Agreement will be used for the purpose of establishing affordability covenants that will be recorded against each property at time of sale. The term of the covenants will be negotiated.

## **II. Development Site**

The development opportunity includes 6 improved, Agency-owned single family parcels located at the addresses below.

<b>Parcel</b>	<b>Zoning</b>	<b>Parcel Square Feet</b>
<b>Address: 16975 Campos Dr. APN: 049-504-015-000</b>	R-1	7840 +/-
<b>Address: 25945 Craig St. APN: 049-503-018-000</b>	R-1	8580 +/-
<b>Address: 25985 Monroe St APN: 049-502-016-000</b>	R-1	8424 +/-

### **Environmental**

The Development Sites are located within Flood Zone X as shown on the Federal Emergency Management Agency Flood Insurance Rate Maps (Map Number 06113C0384G, Effective 6/18/2010). Zone X considered being an area with a minimal risk of flooding.

### **Insurance Requirements**

During the term of the contract, the selected organization shall maintain insurance coverage as outlined in Attachment A.

### **Section 3 Requirements**

YCH highly encourages participation by local qualified firms and organizations in all aspects of contracting. YCH actively encourages participation of Small Business Enterprises (SBE), Minority and Women Owned Business Enterprises (M/WBE), and Section 3 businesses in all aspects of contracting. During the term of this contract, should the selected organization (Contractor) have the need to hire new employees or contract with a material supplier the Contractor, to the greatest extent feasible, has the responsibility of demonstrating its efforts to solicit Section 3 businesses or hire Section 3 residents to fill those needs. All contracts resulting from this solicitation are subject to Section 3 requirements.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic 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-and very low-income persons. Section 3 requirements can be found in 24 CFR Part 135, or in the Yolo County Housing Section 3 Plan (Attachment B).

### **III. Submission Procedures, Requirements and Selection Process**

**Contact:** Lisa A. Baker, [lbaker@ych.ca.gov](mailto:lbaker@ych.ca.gov) for questions about the RFP and process. Fred Ichtertz, [fichtertz@ych.ca.gov](mailto:fichtertz@ych.ca.gov) or at 530-669-2240 for questions about the development site.

#### **Pre-Proposal Meeting**

A Pre-Proposal meeting will be held on **October 27, 2015 10:00 A.M.** at the project site, located at **16975 Campos Dr., Esparto, CA.** The Pre-Proposal meeting is not mandatory; however firms interested in submitting proposals are encouraged to attend.

#### **Time and Place for Submission of Proposals**

Firms interested in providing proposals shall closely examine the specific submittal requirements and questions below, and submit 1 original and two (2) bound copies of their proposals to:

Yolo County Housing  
RFP # 2015001  
Attn: Lisa A. Baker, CEO  
147 W. Main Street  
Woodland, CA 95695

**All proposals must be received by 2:00 P.M. on Tuesday, November 10, 2015.** If the submission is late or lacking in the number of copies required, that firm may be eliminated from consideration.

#### **Proposal Format**

The submittal package shall include information about the developer's qualifications and experience in completing development projects, specifically the development of single-family homes. Proposals are to be bound, standard sized (8.5" x 11") pages, double sided format allowed. Proposals are not limited in length; however, brevity is encouraged. Be sure to fully address each item listed below as part of your RFP submittal. To facilitate review, please submit information in accordance with the following format, identifying each item, in order, by the appropriate number and letter. Number each page.

##### **1. Cover Letter**

A cover letter addressed to Fred Ichtertz, Facilities Director; introducing your firm, its location, history and experience with this type of project, signed by the authorized signatory of the firm (maximum of 2 pages). The cover letter shall acknowledge your understanding of the RFP process and requirements of this RFP.

##### **2. Statement of Qualifications**

- a. Provide the name(s), address(es), telephone and fax numbers, and email addresses of the Developer and development partnership members.

- b. Identify the legal entity with whom the Agency would contract and indicate if it is a corporation, individual, partnership, joint venture, or other.
- c. Describe the developer's relevant project experience in planning, entitlements, financing, construction, and the sale of single-family homes within the Yolo-Sacramento area, emphasizing projects similar to the proposed development effort and location.
- d. Provide a statement substantiating developer's ability to manage a team of specialists, including an architecture/design team, builders, financial consultants, and marketing agents. Specifically describe what role the developer has played in previous projects from initial planning to completion (did the developer have a "lead" or "support" role in the development team?). Address the following items:
  - Is the developer a California licensed general contractor, or will developer be working with a California licensed general contractor in good standing with the State of California Contractor Licensing Board.
  - Proof of being able to meet Agency insurance requirements (Attachment A).
  - If the developer (or any member of the development partnership) is a real property owner, s/he may not have any pending or prior code enforcement violations from the local jurisdictions.
  - Experience with development of housing that meets the Federal Home Administration (FHA) Housing Quality Standards (HQS).
- e. Provide a list of the proposed development team, and a description of each person's qualifications.
- f. Include a list of contacts from the past five years that demonstrate your ability to achieve the objectives of the RFP, including but not limited to client, subcontractor, supplier, and governmental entity.
- g. Describe the management and organization approach, including the development team structure clearly showing lines of responsibility upon which the Agency can rely for effective and responsive action. Include the name, address, phone number, email address, and role of key individuals who would be involved in project implementation. Include a summary or resume indicating each person's construction or building experience.

### **3. Statement of Financial Capability**

The Agency is looking for evidence of the financial capability and financial strength of the builder and development team in terms of ability to provide leverage and private equity to the project.

- a. Include two copies of two (2) years of audited financial statements. If possible, submit copies of the latest annual report, financial rating reports, or other documents indicating the developer's financial condition.
- b. Disclosure is required of significant control or influence with regard to the financial institution by any member of the development team (e.g. size of portfolio with institution, whether assets or liabilities, ownership interest, directorships, or direct employment).
- c. Identify sources of equity and financing to carry project costs, such as a bank account statement, a letter of credit or a letter of intent from a financial institution.

**NOTE:** *The three (3) items noted above (3. a., b., & c.) will be kept confidential and only reviewed by staff. They will not be shared. Please submit one copy in a clearly marked envelope, separate from the bound proposals. These items are to be provided for review only and will be destroyed at completion of the selection process.*

#### **4. Development Proposal**

- a. Project Design. Developer shall submit examples of single family residences that it has constructed and offered for sale. Examples should include sufficient detail to show the scale, scope, size, and mix of project elements, and to the greatest extent feasible, be reflective of the product that is planned for the project. At the Developer's discretion, schematic building plans and elevations may be submitted to illustrate project objectives.
- b. Proposed Development Schedule. Include a preliminary schedule for predevelopment activities and development of the site which addresses, at a minimum, preparation of plans, projected plan approval dates, commencement of construction, construction milestones, and completion of construction. The Agency is seeking a respondent who has the capacity to construct multiple homes simultaneously. The schedule should provide for development of the lots in a logical and expeditious manner.
- d. Local Participation. This project is subject to Minority Business Enterprise ("MBE") and Woman's Business Enterprise ("WBE"), and the Section 3 hiring requirements of the U.S. Department of Housing and Urban Development. Developers are therefore required to solicit quotes from M/WBE sub-trades and firms for subcontracting opportunities. Also, during the course of the project should Developer and/or its subcontractors find the need to hire new workers, best efforts are to be used to hire low to moderate income persons, as well as contract with sub-trades owned and operated by low and moderate income persons residing within the vicinity of the project. Include a description of how you would go about outreaching to minority business enterprises, as well as to low to moderate income residents and business owners for job and bidding opportunities within Yolo.

## **5. Financing Plan**

Submit a financing plan demonstrating the financial feasibility of the proposed project. State the assumptions used in preparing the financing plan. The information should include, at a minimum, the following:

- Estimated predevelopment budget, including proposed financing and equity structure.
- Estimated development budget, including all hard and soft costs, and the proposed financing and equity structure during construction, and permanent phases.
- Projected schedule of sales prices and revenues based on negotiated affordability restrictions.
- Analysis of project feasibility, which includes, but is not limited to assumptions on financing and the investor's required return on investment.
- Description of special conditions or requirements for the proposed project not shown elsewhere in this submittal. Examples might include need for easements or licenses, related onsite or offsite improvements required, streets or utility modifications required.

## **Selection Procedure**

In the interest of fair and equitable competition, the Agency retains the sole right to determine the timing, arrangement, and method of public presentations throughout the selection process. Development teams are cautioned not to undertake any actions to promote or advertise their interests except in the course of Agency sponsored presentations.

1. By submitting a response to this RFP, respondents agree to accept and be bound by the selection process described herein.
2. In order of priority, the written submittals will be evaluated based upon the following:
  - Development Plan and Scope
  - Financing Plan
  - Experience and Capacity to Develop the Homesites
  - Minority/Section 3 and Local Vicinity Hiring
3. Review of the proposals will follow the submittal deadline. The Agency reserves the right to request clarifications or additional information from any or all Developers. Additionally, if deemed necessary and at the sole discretion of the Agency, oral interviews will be scheduled at a later date and final selection made after interviews. Based upon information provided during this process, the most qualified Developer will be selected and forwarded to the CEO for approval.
4. Subject to Agency Board Approval, the Agency intends to enter into a Disposition and Development Agreement (DDA) with the Developer that is determined to be the most responsive to the requirements of the RFP and represents the best overall value to the Agency, considering technical expertise, experience, price and other factors. In this

context, the Agency specifically reserves the right to award to the best qualified Developer and not necessarily the lowest cost proposal. Property transfer authority and the negotiated DDA will be brought forward for the governing board's approval. Upon approval, the DDA will be executed by the Agency and the selected Developer, and construction may begin.

5. Should any Developer wish to protest the final selection, they shall have ten (10) calendar days after the date of the selection letter to submit to YCH a written protest. The written protest shall be full and complete; specifying in detail the grounds of the protest and the facts supporting the protest or it will not be considered. Any Developer who has a legitimate protest must claim to be eligible for award of the contract. Protest letters are to be sent to:

Yolo County Housing  
Attn: Facilities Director  
147 W. Main Street  
Woodland, CA 95695

#### **YCH Rights, Options, and Policies**

1. The Agency reserves the right to decide that one or more Developers is more responsive than the others and to select after review of the written submittals only.
2. The Agency reserves the right to reject any and all submissions, to waive any error or immaterial inconsistencies in the submissions, request additional information, or issue additional requirements throughout the selection process. It is the responsibility of the Developer to verify that all necessary information is submitted by the due date. The Agency shall be the sole judge of the immaterial inconsistencies, and its decision shall be final.
3. The Agency reserves the right to modify any portion, postpone or cancel this RFP at any time, and/or reject any and all submissions without indicating any reason. No submission documents will be returned.
4. The Agency reserves the right to reject individual team members, firms, and request substitution without indicating any reason prior to contract award.
5. The Agency highly encourages participation by local qualified firms and contractors in all aspects of consultant contracting unless the project requires unusual or highly specialized services.
6. The Agency actively encourages participation of small, minority and women owned business enterprises in all aspects of contracting.
7. No compensation is offered for any work related to this selection process. Submissions are entirely voluntary. All original documents including electronic files

become the property of the Agency. If any submission is late or incomplete in any way, that team will be eliminated from consideration.

8. Materials contained in each proposal will be considered proprietary until selection. Following selection, however, the contract scope of work may be amended by the Agency and negotiated based upon ideas provided by any source.
9. In accordance with federal and state laws, the Agency does not discriminate on the basis of race, creed, color, national origin, gender, familial status, sexual orientation, religion, age, veteran's status or disability in the provision of services.
10. Procured consultants / contractors will not be considered Agency personnel and the Agency assumes a proposal of certain personnel to be a statement of their availability to do the work.
11. The Agency reserves the right to select more than one respondent, to select a respondent(s) for specific purposes or for any combination of specific purposes, and to defer the selection of any respondent(s) to a time of the Agency's choosing.

Contract Appendix No. 3, Section 3 Plan

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This Section 3 Plan pertaining to the above noted contract is hereby formulated to meet the standards detailed within 24 CFR 135; most specifically within Section 135.1, to "ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, . . . be directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing . . ."

**Part 1.0 - Current Status as a Section 3 Business Concern**

We hereby complete the following to verify our firm's current status as a "section 3 business concern" (as detailed within 24 CFR 135.5):

- 1.1 Yes\_\_ No\_\_: Our firm is "51 percent or more owned by section 3 residents." If "Yes," we hereby submit the following noted documentation to verify this claim; if "No," proceed directly to the following Section 1.2.

[Table No. 1]

(1) Section	(2) Mark "X"* if Included	(3) Description
2.1.1		YCH resident lease
2.1.2		Evidence of participation in a public assistance program
2.1.3		Articles of Incorporation
2.1.4		Fictitious or Assumed Business Name Certificate
2.1.5		List of owners/stockholders and % of each
2.1.6		Latest Board minutes appointing officers
2.1.7		Organization chart with names and titles and brief functional statement
2.1.8		Partnership Agreement
2.1.9		Corporation Annual Report

- 1.2 Yes\_\_ No\_\_: Our firm's "permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents." If "Yes," to justify this claim we hereby submit the following documentation within Table No. 2; if "No," proceed directly to the following Section 1.3.

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1.2.1 Low- and very low-income within Yolo County, is defined as residents within the following income levels for FY 2015 (Median Income = \$72,200):

[Table No. 2]

Income Limit Category	(1) Person	(2) Person s	(3) Person s	(4) Person s	(5) Person s	(6) Person s	(7) Person s	(8) Persons
Very Low (50%)	\$25,300	\$28,900	\$32,500	<b>\$36,100</b>	\$39,000	\$41,900	\$44,800	\$47,700
Extremely Low (30%)	\$15,200	\$17,350	\$20,090	<b>\$24,250</b>	\$28,410	\$32,570	\$36,730	\$40,890
Low (80%)	\$40,450	\$46,200	\$52,000	<b>\$57,750</b>	\$62,410	\$67,000	\$71,650	\$76,250

Income Limit figures are based on FY2015 Fair Market Rent (FMR). For a detailed account of how these limits are derived, please go to the following link;

[http://www.huduser.gov/portal/datasets/il/il2015/2015summary.odn?states=6.0&data=2015&inputname=METRO40900MM9270\\*0611399999%2BYolo+County&stname=California&statefp=06&year=2015&selection\\_type=county&trueSubmission=yes](http://www.huduser.gov/portal/datasets/il/il2015/2015summary.odn?states=6.0&data=2015&inputname=METRO40900MM9270*0611399999%2BYolo+County&stname=California&statefp=06&year=2015&selection_type=county&trueSubmission=yes)

[Table No. 3]

(1) Classification	(2) Total Number of Current Permanent Employees	(3) Total Number of Section 3 Resident Employees
Trainees		
Apprentices		
Journeypersons		
Laborers		
Supervisory		
Superintendent		
Professional		
Clerical		
Other:		

1.2.1 If there are quantities entered within the above Table No. 1, we hereby attach a listing of all employees listed within column (3), including each person's name, total annual income, and a copy of a tax return for each justifying the section 3 (low or very-low income) claim (please be sure to "black-out" all but the last 4 digits of the person(s) social security number), or any other documentation that shows proof of receipt of public assistance.

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- 1.3 Yes\_\_ No\_\_: We hereby 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 paragraphs (1) or (2) in this definition of “section 3 business concern.”

[Table No. 4]

(1)	(2)	(3)
Name of Section 3 Firm Receiving the Subcontract	Total Amount of Subcontract(s)	Percentage the Subcontract(s) is/are of the Total Proposed Contract Amount
	\$	%
	\$	%

1.3.1 Attach fully executed copies of any contracts noted above.

1.3.2 Proof of the income of the ownership of the Section 3 firm receiving the subcontract, such as a copy of the last tax return for the owner(s) (please be sure to “black-out” all but the last 4 digits of the person(s) social security number).

- 1.4 **INSTRUCTIONS FROM YCH.** If your firm is unable to claim Section 3 status as detailed within this Part 1.0, please move on to and complete the information within the following Part 2.0.

**Part 2.0 - Additional Efforts to Satisfy the Requirements of Section 3**

- 2.1 Whereas the answer to each of the preceding issues within Part 1.0 is "No," we hereby verify as to each of the following "Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents" detailed within Appendix I of 24 CFR 135; specifically, in each case our firm (for each item marked with an “X” within the "Will" column, attach a full narrative description of the work plan detailed how the noted commitment will be accomplished):

[Table No. 5]

(1)	(2)	(3)	(4)
Section	Will	Will Not	Description of Commitment (if marked within the “Will” Column)
2.1.1			Enter into “first source” hiring agreements with organizations representing Section 3 residents.
2.1.2			Sponsor a HUD-certified “Step-Up” employment and training program for section 3 residents.
2.1.3			Establish training programs, which are consistent with

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			the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.
2.1.4			Advertise the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in §135.34) reside.
2.1.5			Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For YCH, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.
2.1.6			Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.
2.1.7			Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by YCH or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.
2.1.8			Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.
2.1.9			Arranging for a location in the housing development or developments where category 1 persons reside, or the

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			neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.
2.1.10			Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.
2.1.11			Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for YCH's or contractor's training and employment positions.
2.1.12			Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for YCH's or contractor's training and employment positions.
2.1.13			Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.
2.1.14			Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of YCH, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that YCH or contractor intends to fill.
2.1.15			For YCH, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as “force account labor” in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)
2.1.16			Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions
2.1.17			Undertaking job counseling, education and related programs in association with local educational institutions
2.1.18			Undertaking such continued job training efforts as may be necessary to ensure the continued employment of

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			section 3 residents previously hired for employment opportunities
2.1.19			After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.
2.1.20			Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

2.2 Section 3 Preference Claim, Training and Employment Opportunities. The undersigned proposer hereby claims that it will, as detailed within 24 CFR §135.34, provide such "opportunities" as denoted following; to:

[Table No. 6]

(1) Section	(2) Will	(3) Will Not	(4) Description of persons such Opportunities will be provided to (if marked within the "Will" Column)
2.2.1			Residents of the housing development or developments for which the section 3 covered assistance is expended (category 1 residents).
2.2.2			Residents of other housing developments managed by YCH that is expending the section 3 covered housing assistance (category 2 residents).
2.2.3			Participants in HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 residents);
2.2.4			Other section 3 residents (attach complete description).

2.3 Section 3 Preference Claim, Section 3 Business Concerns. The undersigned proposer hereby claims that it will, as a result of the contract award, and as detailed within 24 CFR §135.36, provide such "opportunities" as denoted following; to:

[Table No. 7]

(1) Section	(2) Will	(3) Will Not	(4) Description of persons such Opportunities will be provided to (if marked within the "Will" Column)
2.3.1			Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the section 3 covered assistance are expended, or whose full-time, permanent workforce includes 30

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			percent of these persons as employees (category 1 businesses).
2.3.2			Business concerns that are 51 percent or more owned by residents of other housing developments or developments managed by YCH that is expending the section 3 covered assistance, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 2 businesses).
2.3.3			HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 businesses).
2.3.4			Business concerns that are 51 percent or more owned by section 3 residents, or whose permanent, full-time workforce includes no less than 30 percent section 3 residents (category 4 businesses), or that subcontract in excess of 25 percent of the total amount of subcontracts to business concerns identified in paragraphs (a)(1)(i) and (a)(1)(ii) of this section.

2.4 INSTRUCTIONS FROM YCH. If your firm is unable to satisfy the requirements of Section 3 as detailed within this Part 2.0, please move on to and complete the information within the following Part 3.0.

**Part 3.0 - Potential Hiring Efforts to Satisfy the Requirements of Section 3**

3.1 Though our firm has a desire to satisfy the requirements of Section 3, we are unable to do so as detailed within the previous Part 1.0 or Part 2.0. Accordingly, we hereby agree to satisfy the requirements of Section 3 by one or both of the following methods:

3.1.1 **SECTION 3 HIRING GOALS.** As a result of receiving award of this contract, our firm will need to hire additional employees and we hereby commit to the following number of Section 3 New Hires:

[Table No. 8]

(1) Classification	(2) Total Number of Current Permanent Employees	(3) Total Number of New Hires that will result from award of this contract	(4) Goal: Total Number of Section 3 New Hires that the contractor anticipates will result from award of this contract
Trainees			

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Apprentices			
Journeypersons			
Laborers			
Supervisory			
Superintendent			
Professional			
Clerical			
Other:			

3.1.2 **INSTRUCTIONS FROM YCH.** If your firm is unable to satisfy the requirements of Section 3 as detailed within the immediate preceding Part 3.1.1, please move on to and complete the information within the immediate following Part 3.1.3.

3.1.3 **INTERVIEWING AND POTENTIAL HIRING OF YCH RESIDENTS.** Our firm hereby agrees to, as a part of our new hire process for any open positions at any time during the period of time this contract is in effect, if our firm hires any new employees (for any position), we will:

3.1.3.1 Review YCH's listing of resident(s) who have registered, thereby declaring his/her desire to interview and accept a job;

3.1.3.2 In the same manner that we do with other applicants, conduct an interview with such resident(s) who have claimed experience within a certain skill set or field and have expressed a desire to interview; and

3.1.3.3 If, as a result of the interview and any applicable testing or checking that our firm conducts for all persons interviewing, the resident(s) qualifies for the position and passes all such testing (e.g. skills test; drug tests; credit checks; background check; etc.), we hereby agree to offer the position to YCH resident.

3.1.3.4 Our firm hereby agrees that all YCH resident(s) will, during the interview process, be treated equal to and in the same manner as, any non-resident person who interviews with our firm.

3.1.3.4.1 **NOTE:** Our firm shall have no responsibility to hire any resident who does not, as a result of the aforementioned testing and checks, qualify for the position, though the contractor will, as detailed following, be required to report to YCH the results of such testing and checks, and fully inform YCH as to why the resident(s) were not hired.

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**3.1.3.5 Further, we hereby agree to inform YCH in writing of the following within 5 days after a new employee has been hired, including the following information:**

- 3.1.3.5.1 The position title;**
- 3.1.3.5.2 The name of the person hired;**
- 3.1.3.5.3 The date YCH listing of YCH resident(s) desiring interviews were reviewed by the contractor;**
- 3.1.3.5.4 The name(s) of YCH resident(s) that the contractor contacted for an interview and the date, time, and method that such contact took place;**
- 3.1.3.5.5 The results of the contact (specifically, did or did not the interview take place; if so, when--if not, why);**
- 3.1.3.5.6 Pertaining to any YCH resident(s) who were not hired, the results of any tests and checking that the contractor completed (especially any such results that prevented the resident(s) from being offered the position).**

The undersigned hereby certifies that the above noted firm will abide by the terms and conditions of this Section 3 Plan as detailed herein.

COMPLETED BY (Contractor):

\_\_\_\_\_  
Signature                      Date                      Printed Name                      Title

**EXHIBIT A**

**INSURANCE REQUIREMENTS**

Contractor shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

***Minimum Scope of Insurance***

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, code 1 (any auto).
3. Professional Liability Insurance (Errors and Omissions).
4. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

***Minimum Limits of Insurance***

Contractor shall maintain limits no less than:

1. General Liability:

(Including operations, products and completed operations.)
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**\$1,000,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: **\$1,000,000** per accident for bodily injury and property damage.
3. Employer's Liability: **\$1,000,000** per accident for bodily injury or disease.
4. Professional Liability: **\$1,000,000.**
5. Workers' Compensation: **Statutory Limit.**

### ***Deductibles and Self-Insured Retentions***

Any deductibles or self-insured retentions must be declared to and approved by the Housing Authority of Yolo County (YCH). At the option of YCH, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects YCH, its officers, officials, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to YCH guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

### ***Other Insurance Provisions***

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. YCH, its officers, officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy (CG 20 10 11 85).
2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects YCH, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by YCH, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to YCH.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

### ***Acceptability of Insurers***

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

### ***Verification of Coverage***

Contractor shall furnish YCH with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by YCH or on other than YCH's forms, provided those endorsements or

policies conform to the requirements. All certificates and endorsements are to be received and approved by YCH before work commences. YCH reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

***Subcontractors***

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein