



**ENGLEWOOD
BLACK CHAMBER
OF COMMERCE, INC.**

Ded
Econ

November 10, 2009

Lewis Jordan, Chairman and CEO
Chicago Housing Authority

Re: Section 3 compliance issues

Dear Mr. Jordan:

We would like to take this opportunity to thank you and your staff for meeting with us on November 3, 2009 at the CHA Headquarters. Several issues regarding Section 3 compliance that we understand you had to leave our meeting to attend another meeting. Here are the issues from our conversation:

The EBCC posed the following questions to CHA staff:

- We informed the CHA team minority participation goals and Section 3 compliance goals are the same. We all agreed that is correct. We asked about the 10% of construction contracts that are supposed to be set aside for Section 3 business concerns. *All four members of your staff indicated the EBCC was wrong and that the 10% goal was for non-construction hires.* We visited your website (www.thecha.org) and found a Section 3 compliance page. Section 3 is clear 10% of construction contracts and 3% of non construction contracts. Section 3 businesses that hire Section 3 residents. The EBCC disagrees with this (24 CFR Part 135.30 is clear).
- The following was taken from HUD.GOV :

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 135.30:

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.