



Capitol Gateway LSDBE and Section 3 Hiring Status Report 7-17-06

A&R and THC have exceeded LSDBE requirements in every project we have undertaken

As minority-owned concerns, A&R/THC's philosophy is to bolster LSDBE businesses by bringing them as key players in its projects wherever possible. Doing what it takes to include LSDBE firms and hiring local residents for its projects, especially newcomers, has been both A&R/THC's responsibility and pleasure.

A&R/THC and the A&R/THC Team value the powerful message that the presence of minority business people sends to public housing residents, particularly young people--the message that minorities can and do play a vital, financially rewarding role in their city's economy. We intend to achieve the highest possible percentages of LSDBE participation at all levels of this project and in all phases.

We are uniquely qualified to achieve superior levels of minority and women participation because of our composition and ability to draw upon the reserve of talent we have employed over decades of development in Baltimore and D.C.

We have an executed **MOU with the Office of Local Business Development (OLBD)**. We have been working closely with them and continue to provide sets of plans to their office and utilize their mailing lists and website database.

We have also negotiated and executed an unprecedented First Source Agreement with DOES. A&R/THC, LLC and Harkins will use the Capitol Gateway Community Supportive Services (CG-CSSP) and District of Columbia Housing Authority (DCHA) as it's first source for recruitment, referral and placement of new hires or employees for the new jobs created by this project. In the event that the CG-CSSP and/or DCHA cannot refer the qualified personnel requested in a 48 hour period, the employer will immediately contact DOES for recruitment, referral and placement of new hires or employees for the new jobs created by this project. This provides increased economic development opportunities for the CG-CSSP and also provides the greatest employment opportunities for former East Capitol View residents participating in the Community Supportive Services Program.

ZONING COMMISSION
CASE No. 03-030
District of Columbia
EXHIBIT No. 24
CASE NO. 03-030
EXHIBIT NO. 24

We are currently achieving major success at Capitol Gateway (formerly East Capitol) in the areas of LSDBE participation and Section 3 hiring. Following is a summary of our current success:

We have hired 67 residents to date, all of which were Category 1 (former residents of East Capitol), or Category 2 (residents of DCHA public housing). We exceeded our initial project goal of hiring 50 Section 3 employees prior to beginning vertical construction on the family component and we will continue to work towards exceeding this goal by leaps and bounds.

Harkins Builders, the General Contractor for East Capitol, **has won a combined five (5) awards from HUD and the Maryland Minority Contractors for its accomplishments in hiring minority-and women-owned businesses.** They have a track record of proactively responding to Section 3 requirements in their construction projects. To insure opportunities for local residents, Harkins has created a program that requires major subcontracting trades to create new employment positions for Section 3 residents. Following is a summary of their success at Capitol Gateway to date

Phase 1B Demo #1 - 86.5%

Phase 1B Demo #2 - 79.7

DCHE Demo and Abatement-based on numbers provided by DCHE

Demolition Contract - 57% of contract

Utility Abatement Contract - 14% of contract

Total for contract - 71%

Capitol Gateway Senior Building - 38% of contract

(M/WBE/LSDBE -45% of contract)