

Lamar University

Housing and Community Development

HUD Section 3 Plan

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General Information

General Policy Statement

It is the policy of Lamar University (LU) to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701 u).

Background

Section 3 (as amended by 12 U.S.C. 1701u and 24 CFR) is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. Congress approved and HUD implemented Section 3 policy to guarantee that the employment and other economic opportunities created by Federal financial assistance for housing and community development programs should, “to the greatest extent feasible”, be directed toward low- and very low- income persons and business concerns, particularly those persons who are recipients of government assistance for housing.

Section 3 covered financial assistance

Section 3 applies to the following HUD assistance:

- (1) ***Public and Indian housing assistance*** - Training, employment, contracting and other economic opportunities arising from the expenditures of the following public and Indian housing assistance: development assistance, operating assistance, and modernization assistance.
- (2) ***Housing and community development assistance*** - Training, employment, contracting and other economic opportunities arising in connection with the expenditure of housing assistance (including section 8 assistance, and other housing assistance) and community development assistance that is used for the following projects: housing rehabilitation (excluding routine maintenance), housing construction, and public construction.

Applicability of Section 3 Requirements

Section 3 of the Housing and Urban Development Act of 1968, as amended, requires that training, employment and other economic opportunities generated by certain HUD financial assistance shall be directed, to the greatest extent feasible, and consistent with existing Federal, State and Local laws and regulations, to low- and very low-income persons. Lamar University will make every effort to ensure recipients of Section 3-covered funding (contractors, subcontractors) ensure their own compliance with the Section 3 requirements, as outlined in *24 CFR §135.32*.

Key provisions to achieve this goal include:

If in Receipt of awards over \$200,000 LU will create and adopt a Section 3 plan.

The plan will include how LU intends to comply with Section 3 in its own operations and ensure compliance in the operations of its subcontractors. The Section 3 Plan must cover in detail:

- Training on Section 3
- Outreach, compliance, and reporting methods regarding employment, job training and contracting opportunities for Section 3 residents and/or businesses;
- The identification of a Section 3 Coordinator(s) to ensure compliance and monitoring of its Section 3 activities.

Lamar University will have a designated Section 3 Coordinator to assist, report and monitor for compliance of Section 3 activities. The Section 3 Coordinator will provide technical assistance to contractors regarding their Section 3 program requirements. The Coordinator will also conduct Section 3 outreach, education and training to residents and businesses, monitor for compliance, issue compliance certifications, maintain registry of Section 3 businesses, assist Section 3 workers with securing training for Section 3 jobs, coordinate with contractors to hire Section 3 workers, coordinate Section 3 Advisory Committee meetings, monitor the success of the Section 3 program, and assemble reports from vendors for usage in developing the Section 3 reports to State and Federal agencies.

Lamar University will maintain a list of certified Section 3 Businesses. Section 3 business certifications will be conducted on an annual basis. Section 3 Businesses will have the option to become part of a master reference list (State maintained) for Recipients to use when contracting opportunities arise. Lamar University shall maintain a local Section 3 business certification list as well.

Section 3 requirements are triggered when HUD-sourced assistance is expended for housing rehabilitation, housing construction or other public construction projects that are equal to or greater than \$100,000. Contracts or subcontracts of such projects in the amount of \$200,000 or more require a Section 3 Plan to be developed and submitted.

Covered projects include:

- Housing Rehabilitation (to include reduction of lead-based paint hazards, and demolition);
- Housing Construction (to include reduction of lead-based paint hazards and demolition);
- Public Infrastructure (e.g. street repair, sewage line repair or installation, updates to building facades, etc.);
- Public Facilities and Park Improvements; and,
- Job creating or job sustaining Economic Development Projects as applicable.

The requirements of Section 3 apply to the entire project or activity that is funded with Section 3 covered assistance, regardless of whether the section 3 activity is fully or partially funded with Section 3 covered assistance.

Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of the Recipients contract for default, and debarment or suspension from future HUD assisted contracts. (24CFR135.38 (F))

Thresholds

There are no thresholds for Section 3 covered **public and Indian housing** assistance. These projects shall be covered by Section 3 regardless of the amount of the contract or project.

For Section 3 covered **housing and community development** assistance, thresholds shall be as follows:

- (1) *Recipient thresholds* – Recipients of other housing and community development program assistance that exceeds \$200,000 shall adhere to Section 3 requirements in new projects.
- (2) *Contractor and subcontractor thresholds* – Contractors or subcontractors performing work on Section 3 covered projects for which the amount of the assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.

Federal Labor standards provisions

Certain construction contracts are subject to compliance with the requirements to pay prevailing wages determined under Davis-Bacon Act and implementing U.S. Department of Labor regulations in 29 CFR part 5. Additionally, certain HUD-assisted rehabilitation and maintenance activities on public and Indian housing developments are subject to compliance with the requirement to pay prevailing wage rates, as determined or adopted by HUD, to laborers and mechanics employed in this work. Apprentices and trainees may be utilized on this work only to the extent permitted either under Department of Labor regulations at 29 CFR part 5 or for work subject to HUD-determined prevailing wage rates, HUD policies and guidelines.

Section 3 clause

All Section 3 covered contracts shall include the following Section 3 clause

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the contract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Definitions

Applicant – any entity which makes an application for Section 3 covered assistance including the State, units of local governments, public housing agency, Indian housing authority, Indian tribe, public or private nonprofit organization, mortgager, developer, builder, property manager, resident management corporation, resident council or cooperative association.

Business concern – a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity under which it was formed.

Contractor – any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

Employment opportunities generated by Section 3 covered assistance – all employment opportunities generated by the expenditure of Section 3 covered public and Indian housing assistance (operating assistance, development assistance, and modernization assistance including management and administrative jobs connected with the Section 3 covered project.

Housing authority – a public housing agency or Indian housing authority.

Housing and community development assistance – any financial assistance provided or made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants and loans under section 108 of the Housing and Community Development Act of 1974, as amended.

Housing development – low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations.

HUD Youthbuild Programs – “programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.” (24 CFR §135.5)

Low-income person – a person whose income is 80% or below the median income of the area.

Neighborhood area – For HUD housing programs, a geographical location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in ordinances, or other local documents as a neighborhood, village, or similar geographical designation. For HUD community development programs, see the definition, if provided, in the regulations for the applicable community development program.

New hires – full-time employees for permanent, temporary or seasonal employment opportunities.

Recipient – any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management organization, resident council or cooperative association.

Section 3 business concern – a business concern that is (a) 51 percent or more owned by Section 3 residents or (b) whose 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 or (c) that provides 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 of a Section 3 business.

Section 3 covered activity – any activity which is funded by Section 3 covered assistance, public assistance and Indian housing assistance.

Section 3 covered assistance – (1) public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act; (2) public and Indian housing operating assistance provided pursuant to section 5 of the 1937 Act; (3) public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act; (4) assistance provided under any HUD housing or community development program that is expended for work arising in connection with housing rehabilitation (excluding routine maintenance), housing construction or other public construction regardless of ownership.

Section 3 Business Certification form – a form used to document a business as a Section 3 Business Concern

Section 3 covered contract – a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 covered project – the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements assisted with housing or community development assistance.

Section 3 Resident Self Certification Form - form used to document a resident of a local community as a Section 3 Resident.

Service area – the geographical area in which the persons benefiting from the Section 3 covered project reside.

Subcontractor – any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

Very-low-income person – a person whose income is 50% or below the median income of the area.

Numerical Goals

Recipients and covered contractors may demonstrate compliance with the “greatest extent feasible” requirement of Section 3 by meeting the numerical goals set forth in this section for providing training, employment, and contracting opportunities to Section 3 residents and Section 3 business concerns. The goals established apply to the entire amount of Section 3 covered assistance awarded to a recipient in any Federal fiscal year.

For recipients that do not engage in training, or hiring, but award contracts to contractors that will engage in training, hiring, and subcontracting, recipients must ensure that, to the extent feasible, contractors will provide training, employment, and contracting opportunities to Section 3 residents and Section 3 business concerns.

Public and Indian Housing programs

Recipients of Section 3 covered public and Indian housing assistance and their contractors and subcontractors may demonstrate compliance with this part by committing to employ Section 3 residents as:

- (1) 10 percent of the aggregate number of new hires in the first year of the project;
- (2) 20 percent of the aggregate number of new hires in the second year of the project; (3) 30 percent of the aggregate number of new hires in the third year of the project and continuing thereafter.

Community Development programs

Recipients of Section 3 covered community development assistance and their contractors and subcontractors may demonstrate compliance with this part by committing to employ Section 3 residents as:

- (1) 10 percent of the aggregate number of new hires in the first year of the project;
- (2) 20 percent of the aggregate number of new hires in the second year of the project; (3) 30 percent of the aggregate number of new hires in the third year of the project and continuing thereafter.

Other HUD programs

Recipients of Section 3 covered housing assistance provided under other programs, and their contractors and subcontractors, may demonstrate compliance with this part by committing to employ Section 3 residents as 10 percent of the aggregate number of new hires for each year over the duration of the project.

A recipient that has not met the numerical goals has the burden of demonstrating why it is not feasible to meet the numerical goals. Such justification may include impediments encountered despite actions taken.

Priorities

Residents to be given priority in hiring are those who live in the service area where a Section 3 project is located who are either:

- Public housing residents including persons with disabilities;
- Low-income or very-low-income person(s) who live in the metropolitan statistical area (MSA) or non-metro county area of project;
- HUD Youthbuild program participants (centers in Austin, Houston, Kendleton, El Paso, New Waverly, San Antonio, Brownsville, and Dallas);
- Homeless, defined under McKinney Act (42 U.S.C. 11301 et seq.).

A resident seeking Section 3 preference shall submit a Section 3 Resident Certification Form (see Exhibit A for sample) to LU's Section 3 Coordinator to verify and approve the certification. LU's Section 3 Coordinator shall maintain a list of Section 3 Residents for current and/or future Section 3 job opportunities.

HUD has clarified that a Self-Certification is an acceptable means for establishing eligibility as a Section 3 Resident. However, recipients may utilize acceptable support documentation with the Section 3 Resident Certification Form to include:

- Proof of residency in a public housing development;
- Evidence of participation in a HUD Youthbuild program operated in the metropolitan (or non-metropolitan county) where the Section 3 covered assistance is spent;
- Copy of Section 8 voucher certificate or voucher;
- Evidence of eligibility or participation in a federally-assisted program for low- and very-low-income persons (e.g. Jobs, JTPA, Job Corps, etc.);
- Evidence that the individual resides in the Section 3 area and is a low or very-low-income person, as defined in Section 3(b) (2) of the U.S. Housing Act of 1937 (1937 Act);
- Other acceptable documentation to the Recipient.

To determine if a business qualifies for Section 3 designation, LU's Section 3 Coordinator will perform a local Section 3 Business Concern Certification (see sample form for a Business Concern Certification Exhibit B attached in this policy). Recipients may refer to the General Land Office's Section 3 Business Certification listing to see if the applicable business is already listed as a Section 3 Business Concern.

A Section 3 Business Concern is one that is:

- Owned by 51% or more by Section 3 Residents; or
- Employs at least 30% of employees who qualify as Section 3 Residents (or within 3 years of the date of first employment with the business concern were Section 3 Residents); or
- Commits to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet one of the first two qualifications above.

LU will include the “Contractor Certification of Efforts to Comply Notice” (Exhibit C), in all bid packets. Subcontractors must post all new hire opportunities with the local Workforce Solutions Center and WorkinTexas.com.

Preference

HUD requires that preference be given to Section 3 Residents in training and employment opportunities and preference for contracting opportunities be given to Section 3 Business Concerns.

I. LU and its contractors and subcontractors will provide **Preference for Section 3 Residents in training and employment opportunities** and shall direct its efforts to provide to the greatest extent feasible training and employment opportunities generated from expenditure of Section 3 covered assistance to Section 3 Residents” (24CFR §135.34) in order of priority:

- Section 3 Residents residing in the service area or neighborhood in which the Section 3 covered project is located (collectively, referred to as category 1 residents);
- Participants in HUD Youthbuild programs (category 2 residents); and
- Where the Section 3 project is assisted under the Stewart B. McKinney Homeless Assistance Act(42 U.S.C. 11301et seq.), homeless persons residing in the service area or neighborhood in which the Section 3 covered project is located shall be given the highest priority;
- Other Section 3 Residents.

Types of Economic Opportunities that may arise from a Section 3 Project:

- For Public Housing Authorities, all employment opportunities generated by the expenditure of development, operating, and modernization assistance, including management and administrative jobs, technical, professional, construction and maintenance jobs; and jobs at all levels.
- For all others, all employment opportunities arising in connection with housing rehabilitation (including reduction and abatement of lead base paint hazards), housing construction, or other public construction (i.e., management and administrative jobs, technical, professional, and construction and non-construction jobs; and jobs at all levels).

HUD offers examples of efforts that can be made to Offer Training and Employment Opportunities to Section 3 Residents training (see Exhibit D).

A Section 3 Resident seeking the preference in training and employment provided by this part shall certify, or submit evidence, if requested, that the person is a Section 3 Resident. A Section 3 Resident must demonstrate that they meet the qualifications for new employment opportunities created as a result of the expenditure of the covered assistance.

II. **Preference for Section 3 Business Concerns in contracting opportunities (24 CFR§135.36)**, LU and its contractors and subcontractors shall direct their efforts to award Section 3 Covered contracts, to the greatest extent feasible, to Section 3 Business Concerns if in the event of a tie of the lowest responsive bid, the contract will be awarded to the Section 3 Business Concern.

Reporting Requirements

Lamar University and contractors/subcontractors must document actions taken to comply with the employment, training and contracting requirements of Section 3, the results of actions taken, and impediments encountered. Recipients should maintain records of job vacancies, solicitation of bids or proposals, selection materials and contracting documents (including scope of work and contract amount), in accordance with Federal and State procurement laws and regulations. The documentation should demonstrate efforts taken towards the achievement of the Section 3 numerical goals.

Lamar University must submit to the appropriate state agency (GLO):

- a. Section 3 Monthly Progress Report (Exhibit E)
- b. Section 3 Annual Summary Report (Exhibit F);

Contractors must submit to Lamar University a New Hires Section 3 Monthly Compliance Report (Exhibit G). Lamar University may request additional reporting from Contractors as necessary.

Lamar University Best Practices for Section 3 Compliance

Lamar University implements the following best practices that outline Lamar University's compliance with the requirements of Section 3 of the HUD Act of 1968:

Outreach and Notification

The local Section 3 Coordinator will provide outreach and education to residents and businesses as described in the CDBG Marketing and Outreach Plan. Lamar University will utilize its long-established network of government, nonprofit organizations, and businesses as partners in disseminating information about Section 3 requirements and opportunities for training, employment or business.

- Lamar University will also utilize its client partnerships through the numerous program services it provides that reaches all demographics.
- Lamar University will partner with the Texas Workforce Commission to make Section 3 information available to workforce clients.
- Lamar University will provide Section 3 information to clients who are public housing residents as part of Lamar University's administration of the regional housing agency.
- Lamar University will utilize the media (print, radio, television) throughout the region to disseminate public education and outreach to Section 3 residents, businesses and contractors regarding Section 3 requirements and opportunities for training and employment.
- Lamar University will inform potential contractors/subcontractors about Section 3 requirements in its bid conferences.
- Lamar University will maintain Section 3 policy and information on its website.

Bid Packets

All bid packets issued by Lamar University will include general information regarding Section 3, the HUD Section 3 clause, the requirements of Section 3, a "frequently asked questions" handout, and a Section 3 brochure.

Monitoring for Compliance

Sub recipient/developer reports – Lamar University requires all contractors to submit reports as required that demonstrate Section 3 compliance.

Penalties – Lamar University may impose penalties for contractor's non-compliance to Section 3 which will include removal of the contractor from Lamar University's list of approved Section 3 vendors.

Site visits – Lamar University may conduct visits to work sites and/or vendors offices to monitor and document Section 3 compliance. Said site visits may include the following:

- A review of documentation of Section 3 outreach to persons and businesses.
- Interviews with Section 3 workers including confirmation of their hiring and tenure. A review of copies of the Section 3 business concerns certification documents and executed contracts.
- A review of visible Section 3 signage at all work sites.
- A review of the list of project employees including Section 3 residents new hire certification documents.
- An examination of payroll records that substantiates payment to and continuous employment of the Section 3 employees.

Refusal to submit documentation to Lamar University may be viewed as a breach of contract. Notification of any corrective action to be taken will be provided in writing to the contractor.

Documentation

- ✓ Bid conferences – Lamar University will maintain documentation of bid conferences and the Section 3 requirements provided to bidders.
- ✓ Monitoring visits – Lamar University may conduct monitoring visits to work sites and maintain documentation of persons visited, signage, actions and results.
- ✓ Contractor/subcontractor reports to Lamar University – Lamar University will maintain all records of contractor reports to Lamar University.
- ✓ Outreach activities – Lamar University will maintain documentation of all outreach activities.
- ✓ Opportunities for employment and training – Lamar University will maintain documentation of announcements made regarding opportunities for training, employment, and contracting.
- ✓ Media contacts – Lamar University will maintain documentation of all media contacts made to announce job opportunities, training, and Section 3 requirements.
- ✓ Number of positions created – Lamar University will maintain documentation of the number of positions created with CDBG funds and the number of Section 3 new hires.
- ✓ Dollar amount of covered construction and non-construction contracts – Lamar University will maintain documentation of dollars awarded to Section 3 business concerns.
- ✓ Reporting – Lamar University will provide reports to the State and/or HUD as required.
- ✓ Registry – Lamar University shall maintain a registry of local Section 3 Businesses.

Lamar University Contractor and Developer Requirements

Applicable contractors and developers, as determined by thresholds, must Include

- Section 3 requirements in all construction contracts.
- Maintain documentation of Section 3 discussions/actions with potential subcontractors and individuals.
- Outreach to Section 3 residents and businesses when announcing training, employment opportunities or business opportunities. Actions may include postings in public housing units, postings at public buildings, newspaper ads, and other methods that match employment opportunities with low income persons.
- Provide a Section 3 informational brochure to residents and businesses.
- Inform Lamar University with any known registers or databases with Section 3 businesses for potential hire.
- Document their attempts to prove Section 3 eligibility by completing survey forms that identify low income persons who were interviewed or hired.
- Monitor compliance with Section 3 requirements.
- Must notify Lamar University that they or their subcontractors had no turnover or need to hire new employees for the project during the reporting period (if applicable).
- Report any Section 3 written complaints to Lamar University.
- Give priority in hiring, where feasible, to Section 3 residents residing in the service area or neighborhood in which the Section 3 project is located.
- Give priority when awarding contracts, to the greatest extent possible, to Section 3 business concerns.

Applicable recipients of housing assistance funds (contracts of \$200,000 or more), Indian housing funds, or community development funds, whether sub-recipient or developer, must prepare a written Section 3 plan that includes but is not limited to procedures addressing:

- How Section 3 residents and businesses will be notified about employment and training opportunities.
- How potential contractors or subcontractors will be notified about their requirements pursuant to Section 3.
- How contractors and subcontractors will be monitored for compliance with Section 3. How evidence and documentation of actions taken will be maintained.
- How eligibility of the residents will be determined.
- How to identify the numbers of positions added and filled by Section 3 residents. How the eligibility of business concerns will be determined.
- How the percentage of the total dollar amount of covered construction contracts awarded to Section 3 business concerns will be determined.
- How the percentage of the total dollar amount of covered non-construction contracts awarded to Section 3 business concerns will be determined.
- How penalties will be imposed upon contractors for noncompliance, including refraining from entering into contracts with any contractor that has violated the requirements of Section 3.

The approved Section 3 contractor or developer plan becomes a part of the contract with Lamar University.

Compliance and Complaints

Written complaints related to noncompliance should be submitted addressed to:

Lamar University

Section 3 Coordinator

Address

P.O. Box 10119

Beaumont, Texas

77710

Complainants may also contact HUD using HUD's Section 3 Complaint Register Form (See Exhibit H)

EXHIBIT A



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

SECTION 3 RESIDENT EMPLOYMENT OPPORTUNITY DATA ELIGIBILITY FOR PREFERENCE

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient:	Contract Number:	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>

ELIGIBILITY FOR PREFERENCE

A Section 3 Resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the Subrecipient, Grantee, Contractor or Subcontractor, if requested, that the person is a Section 3 Resident, as defined in Section CFR 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program.)

Section 3 Resident Certification for Worker Seeking Preference in Training and Employment

RESIDENT COMPLETES THIS SECTION:

I, _____, am a legal resident of the _____

_____ and meet the income eligibility guidelines for a low- or very-low-income person as published on HUD'S income limits www.huduser.org/portal/datasets/il.html and documented on the reverse side of this form.

My permanent address is: _____

I have attached the following documentation as evidence of my status:

- | | |
|---|---|
| <input type="checkbox"/> Copy of Lease | <input type="checkbox"/> Copy of receipt of public assistance |
| <input type="checkbox"/> Copy of Evidence of participation in a public assistance program | <input type="checkbox"/> Other Evidence |

Resident Signature _____ Date _____

Print Name _____

EXHIBIT A

SECTION 3 INCOME LIMITS

All residents of public housing developments of the Housing Authority of

Qualify as Section 3 Residents.

Alternatively, individuals residing in the

City of _____

or County of

Who meet the income limits set forth below, can also qualify for Section 3 status.

A picture identification card and proof that illustrates applicant is a current resident of the subject area.

HUD updates area median income (AMI) annually and income limits vary by county. To find the latest income limits visit HUD's website: www.huduser.org/portal/datasets/il.html

Eligibility Guideline

Number in Household	Very Low Income (50% AMI)	Low Income (80%)
1 Individual		
2 Individuals		
3 Individuals		
4 Individuals		
5 Individuals		
6 Individuals		
7 Individuals		
8 Individuals		

Signature Field

Date

Print Name

EXHIBIT B



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

CERTIFICATION FOR BUSINESS CONCERNS
Seeking Section 3 Preference in Contracting and
Demonstration of Capability

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient:	Contract Number:	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>

CONTRACTOR INFORMATION

Name of Business

Address of Business

Type of Business: ☐ Corporation ☐ Partnership ☐ Non-Profit
☐ Sole Proprietorship ☐ Joint Venture Consortium

Attach the following documentation as evidence of Section 3 eligible status:
(Definition of "Section 3 Business Concern" in 24 CFR 135 describes the three alternative qualifications.)

For Business claiming status as a Section 3 resident-owned enterprise:

- | | |
|---|---|
| <input type="checkbox"/> Copy of resident lease | <input type="checkbox"/> Copy of receipt of public assistance |
| <input type="checkbox"/> Copy of evidence of participation in a public assistance program | <input type="checkbox"/> Other evidence |

For business entity as applicable:

- | | |
|---|---|
| <input type="checkbox"/> Copy of Articles of Incorporation | <input type="checkbox"/> Certificate of Good Standing |
| <input type="checkbox"/> Assumed Business Name Certificate | <input type="checkbox"/> Partnership Agreement |
| <input type="checkbox"/> List of owners/stockholders and % ownership of each appointed officers | <input type="checkbox"/> Corporation Annual Report |
| <input type="checkbox"/> Organization chart with names and titles and brief function statement | <input type="checkbox"/> Latest Board minutes |
| | <input type="checkbox"/> Additional documentation |

For business entity claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business(es):

- ☐ List of subcontracted Section 3 business(es) and subcontract amount

For business claiming Section 3 status, by claiming at least 30 percent of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

- | | |
|---|---|
| <input type="checkbox"/> List of all current full-time employees | <input type="checkbox"/> List of employees claiming Section 3 status |
| <input type="checkbox"/> PHA/IHA Residential lease less than 3 years from day of employment | <input type="checkbox"/> Other evidence of Section 3 status less than 3 years from date of employment |

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- | | |
|---|--|
| <input type="checkbox"/> Current financial statement | <input type="checkbox"/> Statement of ability to comply with public policy |
| <input type="checkbox"/> List of owned equipment | |
| <input type="checkbox"/> List of all contracts for the past two years | |

Authorized Name and Signature _____

Date _____

Attested By: _____

(Corporate Seal)

EXHIBIT C

Grantee/Subrecipient:
Include this document in all applicable bid packets.



Texas General Land Office Community Development Block Grant (CDBG) Disaster Recovery Program

Contractor Certification of Efforts to Fully Comply with Employment and Training Provisions of Section 3

Economic Opportunities for Low and Very Low-Income Persons

THE BIDDER REPRESENTS AND CERTIFIES AS PART OF ITS BID/OFFER THAT IT:

<input type="checkbox"/> Is a Section 3 Business Concern. A Section 3 Business Concern means a business concern: <ol style="list-style-type: none"> 1. That is 51% or more owned by Section 3 Resident(s); or 2. Whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 Residents, or 3. That provides evidence of a commitment to subcontract in excess of 25% of the dollar value of all subcontracts to be awarded to Section 3 Business Concerns, that meet the qualifications set forth in paragraphs 1 or 2 herein.
<input type="checkbox"/> Is NOT a Section 3 Business Concern, but who has and will continue to seek compliance with Section 3 by certifying the following efforts to be undertaken.
<u>EFFORTS TO AWARD SUBCONTRACTOR TO SECTION 3 CONCERNS</u> (Check ALL that apply)
<input type="checkbox"/> By contacting business assistance agencies, minority contractors associations and community organizations to inform them of the contracting opportunities and requesting their assistance in identifying Section 3 businesses which may solicit bids for a portion of the work.
<input type="checkbox"/> By advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas of the applicable development(s) owned and managed by the Housing Authority.
<input type="checkbox"/> By providing written notice to all known Section 3 Business Concerns of contracting opportunities. This notice should be in sufficient time to allow the Section 3 Business Concerns to respond to bid invitations.
<input type="checkbox"/> By following up with Section 3 Business Concerns that have expressed interest in the contracting opportunities.
<input type="checkbox"/> By coordinating meetings at which Section 3 Business Concerns could be informed of specific elements of the work for which subcontract bids are being sought.
<input type="checkbox"/> By conducting workshops on contracting procedures and specific contracting opportunities in a timely manner so that Section 3 Business Concerns can take advantage of contracting opportunities.
<input type="checkbox"/> By advising Section 3 Business Concerns as to where to seek assistance to overcome barriers such as inability to obtain bonding, lines of credit, financing, or insurance and aiding Section 3 Businesses in qualifying for such bonding, financing, insurance, etc....
<input type="checkbox"/> Where appropriate, by breaking out contract work into economically feasible units to facilitate participation by Section 3 businesses.
<input type="checkbox"/> By developing and using a list of eligible Section 3 Business Concerns.
<input type="checkbox"/> By actively supporting and undertaking joint ventures with Section 3 Businesses.
<u>EFFORTS TO PROVIDE TRAINING AND EMPLOYMENT TO SECTION 3 RESIDENTS</u>
<input type="checkbox"/> By entering into a "first source" hiring agreements with organizations representing Section 3 Residents.
<input type="checkbox"/> By establishing training programs, which are consistent with the requirements of the Department of Labor, specifically for Section 3 Residents in the building trades.
<input type="checkbox"/> By advertising employment and training positions to dwelling units occupied by Category 1 and 2 residents.
<input type="checkbox"/> By contacting resident councils and other resident organizations in the affected housing development to request assistance in notifying residents of the training and employment positions to be filled.
<input type="checkbox"/> By arranging interviews and conducting interviews on the job site.
<input type="checkbox"/> By undertaking such continued job training efforts as may be necessary to ensure the continued employment of Section 3 Residents previously hired for employment opportunities.
<input type="checkbox"/> By posting job vacancies in Work-In-Texas or with my local Workforce Solutions Center.

Contractor Name/Business Name:

Date:

Authorized Representative Name:

Signature:

EXHIBIT D



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

[Code of Federal Regulations]
[Title 24, Volume 1]
[Revised as of April 1, 2003]
From the U.S. Government Printing Office via GPO Access
[CITE: 24CFR135.92]
[Page 704-707]

TITLE 24--HOUSING AND URBAN DEVELOPMENT
CHAPTER I--OFFICE OF ASSISTANT SECRETARY FOR EQUAL OPPORTUNITY,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PART 135--ECONOMIC OPPORTUNITIES FOR LOW- and VERY LOW-INCOME PERSONS

Table of Contents

Appendix to Part 135

I. EXAMPLES OF EFFORTS TO OFFER TRAINING AND EMPLOYMENT OPPORTUNITIES TO SECTION 3 RESIDENTS

- (1) Entering into ``first source'' hiring agreements with organizations representing Section 3 residents.
- (2) Sponsoring a HUD-certified ``Step-Up'' employment and training program for section 3 residents.
- (3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.
- (4) Advertising 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 Sec. 135.34) reside.
- (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 HAs, 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.
- (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.

EXHIBIT D

- (7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA 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.
- (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.
[[Page 705]]
- (9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.
- (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.
- (11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.
- (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 the HA's or contractor's training and employment positions.
- (13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.
- (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 the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.
- (15) For an HA, 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 Sec. 905.201(a)(6).)
- (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.
- (17) Undertaking job counseling, education and related programs in association with local educational institutions.
- (18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents previously hired for employment opportunities.
- (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.
- (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.

EXHIBIT E



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

Section 3 Monthly Progress Report

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____
GLO Contract # _____
HCS/IDRS Contract # _____
Contract Award Date: _____
Reporting Month: Reporting Year:

Contracts Executed During Reporting Month (Report all contracts executed during the reporting month.)

1. Non-Construction Contracts (3% of all awarded non-construction contracts, awards to Section 3 Business Concerns-represents minimum goals) (Report awarded Contracts that are valued at or above \$2,000)											
Business Name	Contract Amount	Section 3 Bus.	Contract Award Date	Posted Job Notice in Work-in-Texas / Local Workforce Solut.	TWC Tax ID No.	FEIN No.	Section 3 Contract Amount	Reason/Contract Type	Add a Row		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> + <input type="text"/> -		
2. Construction Contracts (10% of all awarded construction contracts, awards to Section 3 Business Concerns-represents minimum goals)											
Prime Contractor Name	Construction Contract Amount	Section 3 Bus.	Contract Award Date	Posted Job Notice in Work-in-Texas / Local Workforce Solut.	TWC Tax ID No.	FEIN No.	No. of New Hires	No. of New Hires (Section 3 Residents)	Total No. of New Hires (cumulative, Reporting YR)	Total No. of New Hires (Section 3 Residents)	Add a Row
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> + <input type="text"/> -
Subcontractor (Name)	Contract Amount	Ctrct. Award Date	Contractor Type: Plumbing, Electrical, etc..		Posted Job Notice in Work-in-Texas / Local Workforce Solut.	Tax ID No.	FEIN No.	Section 3 Business	Add a Row		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> + <input type="text"/> -		
Explain efforts to comply with #1 and #2 above to award contracts to Section 3 Business Concerns for the reporting month:											

EXHIBIT E



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

Section 3 Monthly Progress Report

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____

GLO Contract # _____

HCS/DRS Contract # _____

Contract Award Date: _____

Reporting Month: ☐ Reporting Year: ☐

3. Contracts Awarded During Reporting Month (Totals)		4. Contracts Awarded During Reporting Month (Totals)					
NON-CONSTRUCTION CONTRACTS (3% of all awarded non-construction contracts, awards to Section 3 Business Concerns-represents minimum goals)		CONSTRUCTION CONTRACTS (10% of all awarded construction contracts, awards to Section 3 Business Concerns-represents minimum goals)					
A. Total dollar amount of all non-construction contracts awarded on the project / activity:		A. Total dollar amount of all construction contracts awarded on the project/activity:					
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses:		B. Total dollar amount of contracts awarded to Section 3 businesses:					
C. Percentage of the total dollar amount that was awarded to Section 3 businesses:		C. Percentage of the total dollar amount that was awarded to Section 3 businesses:					
D. Total number of Section 3 businesses receiving contracts:		D. Total number of Section 3 businesses receiving contracts:					
5. Employment and Training Totals (30% of Total Number of New Hires as Section 3 Residents - represents minimum numerical goal)							
Job Category (e.g. Professionals; Technicians; Construction by Trade (list trade); Other (list).	No. of New Hires	No. of new Hires that are Section 3 Residents	% of Aggregate Number of Staff hours of New Hires that are Sec 3. Residents	% of Total Staff hours for Section 3. Employees and Trainees	Number of Section 3 Trainees	Add a Row	
						+	-
						+	-
Total:							
<div> <div>Date/Time Field</div> <div>Section 3 Coordinator/Authorized Representative</div> </div>							

EXHIBIT F



Texas General Land Office Community Development Block Grant (CDBG) Disaster Recovery Program

Section 3 Annual Summary Report

Economic Opportunities for Low - and Very Low -Income Persons

1. Grantee / Subrecipient Name and Address <div style="border: 1px solid black; height: 100px; width: 100%;"></div>	2. GLO Contract Number <div style="border: 1px solid black; height: 20px; width: 100%;"></div> 3. Contact Person/ Section 3 Coordinator <div style="border: 1px solid black; height: 20px; width: 100%;"></div> 4. Phone (Include area code) <div style="border: 1px solid black; height: 20px; width: 100%;"></div> 5. Email <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
6. Total Amount of Award: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	7. Contract Begin Date: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	8. Contract End Date <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	9. Revised End Date: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
10. Executed Contracts <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	11. Program Code: (Use separate sheet for each program code.) <div style="text-align: center;">8 = CDBG-State Administered</div>		
12. Date Report Submitted <div style="border: 1px solid black; height: 20px; width: 100%;"></div>			

Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires in E & F)

A	B	C	D	E		F	
Job Category	Number of New Hires	Number of New Hires that are Sec. 3 Residents	% of Sec. 3 New Hires (Optional)	Section 3 employee hours (Optional) <small>Include hours for part-time and full-time positions.</small>	Total staff hours (Optional)	% of Total Staff Hours for Section 3 Employees <small>The percentage of the total staff hours worked for Section 3 employees connected with this award.</small>	Number of Section 3 Trainees <small>Enter the number of Section 3 trainees in connection with this award.</small>
Professionals							
Technicians							
Office and Clerical							
Officials and Managers							
Sales							
Craft Workers (Skilled)							
Operatives (Semiskilled)							
Laborers (Unskilled)							
Service Workers							
Other (List)							
Total							

EXHIBIT F

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of construction contracts awarded

B. Total dollar amount of construction contracts awarded to Section 3 businesses

C. Percentage of total dollar amount that was awarded to Section 3 businesses

D. Total number of Section 3 businesses receiving construction contracts

2. Non-Construction Contracts:

A. Total dollar amount of all non-construction contracts awarded

B. Total dollar amount of non-construction contracts awarded to Section 3 businesses

C. Percentage of total dollar amount that was awarded to Section 3 businesses

D. Total number of Section 3 businesses receiving non-construction contracts

Part III: Summary Of Efforts

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

(Select Yes to all. If a Section has not been made, default is No)

☐

Recruited low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or non metropolitan county) in which the Section 3 covered program or project is located, or similar methods.

☐

Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

☐

Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

☐

Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

☐

Other Efforts; Please describe below.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

EXHIBIT G



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

**NEW HIRES SECTION 3
MONTHLY COMPLIANCE REPORT**

Reporting Month:

Economic Opportunities for Low and Very Low-Income Persons

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting. GC is also required to provide this form to any subcontractor firms that they anticipate hiring for this project.

CONTRACTOR INFORMATION

Name of Business:

Address of Business:

Authorized Representative for this contract:

Authorized Signatory:

ADDITIONALLY, PLEASE REVIEW AND COMPLY WITH STEPS 1 - 3 BELOW:

1. You must **sign and date** this form for the each applicable reporting month in connection with awarded project and deliver to:

2. When you hire a Section 3 resident in connection with this project, you must also complete this form and submit it to the Section 3 Coordinator identified above. Even if there were no new hires this form **must be completed and submitted to the Section 3 Coordinator identified above.**

☐ I have not hired any new employees during the reporting Month specified.

I have hired ☐ Section 3 employees and/or ☐ non-Section 3 employees during the reporting month shown here.

The following is a list of the new hires and the trades:

	New Hire Name	Job Category/Trade	Full-time? Yes or No
1.			<input type="text"/>
2.			<input type="text"/>
3.			<input type="text"/>
4.			<input type="text"/>

EXHIBIT G

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of construction contracts awarded

B. Total dollar amount of construction contracts awarded to Section 3 businesses

C. Percentage of total dollar amount that was awarded to Section 3 businesses

D. Total number of Section 3 businesses receiving construction contracts

2. Non-Construction Contracts:

A. Total dollar amount of all non-construction contracts awarded

B. Total dollar amount of non-construction contracts awarded to Section 3 businesses

C. Percentage of total dollar amount that was awarded to Section 3 businesses

D. Total number of Section 3 businesses receiving non-construction contracts

Part III: Summary Of Efforts

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

(Select Yes to all. If a Section has not been made, default is No)

☐

Recruited low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or non metropolitan county) in which the Section 3 covered program or project is located, or similar methods.

☐

Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

☐

Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

☐

Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

☐

Other Efforts; Please describe below.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

EXHIBIT H

Complaint Register

Under Section 3 of the Housing
And Urban Development Act of 1968

U.S. Department of Housing and Urban Development

Office of Fair Housing
and Equal Opportunity

OMB Approval No. 2529-0043

(Expires 11/30/2010)

Name of Complainant (Person or organization)	Home Phone
Street Address	Work Phone
City, State, Zip code	
Against whom is this complaint being filed?	Business Phone
Name of organization or company	
Street Address	
City, State, Zip code	
Name and identify others (if any) who violated the law in this case	

You are (check all that apply)

<input type="checkbox"/> A. Low/Very low income	<input type="checkbox"/> D. Section 3 business concern
<input type="checkbox"/> B. Public housing resident	<input type="checkbox"/> E. A representative of D
<input type="checkbox"/> C. A representative of A or B	

Complaint is against (check one or more boxes)

<input type="checkbox"/> A. Applicant	<input type="checkbox"/> D. Recipient
<input type="checkbox"/> B. Sub-Recipient	<input type="checkbox"/> E. Contractor
<input type="checkbox"/> C. Subcontractor	<input type="checkbox"/> F. Other (please specify) _____

Basis for non compliance with Section 3

<input type="checkbox"/> Denied Training	<input type="checkbox"/> Denied Employment	<input type="checkbox"/> Denied Contracting
--	--	---

What did the person you are complaining against do? (Check all that apply – provide documentation)

<input type="checkbox"/> A. Failed to meet numerical goals, as set out in the Section 3 regulations	<input type="checkbox"/> G. Failed to train and/or employ Section 3 residents
<input type="checkbox"/> B. Failed to ensure that its contractors and subcontractors comply with Section 3	<input type="checkbox"/> H. Failed to award contracts to Section 3 business concerns
<input type="checkbox"/> C. Failed to notify Section 3 residents about training and/or employment opportunities	<input type="checkbox"/> I. Contracted with a contractor found to be in violation of applicable statutes and/or HUD regulations
<input type="checkbox"/> D. Failed to notify Section 3 business concerns about contracting opportunities	<input type="checkbox"/> J. Failed to provide preference to Section 3 residents in training and or employment opportunities.
<input type="checkbox"/> E. Failed to notify potential contractors for Section 3 covered projects of the requirements of Section 3	<input type="checkbox"/> K. Failed to provide preferences for Section 3 business concerns in contracting opportunities
<input type="checkbox"/> F. Failed to incorporate the Section 3 clause in Section 3 solicitations or contracts	

When did the act(s) checked above occur? (Include the most recent date if several dates are involved):

EXHIBIT H

Summarize what happened? Attach additional information if necessary

	Date:

EXHIBIT H

Instructions for the Complaint Register Section 3 of the Housing and Urban Development Act of 1968

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

The information is given voluntarily and provides the basis for HUD's investigation of the complaint to determine if the allegations of noncompliance are valid. The Department will use the information provided as the basis for its determination of jurisdiction over a complainant's allegations. All information collected complies with the Privacy Act of 1974 and OMB Circular A-108. The information is not of a sensitive nature. The information is unique to the processing an allegation of noncompliance with the Section 3 statute or implementing regulations.

This form is to be used to report allegations of noncompliance with Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135.

What does Section 3 of the Housing and Urban Development Act of 1968 provide?

The law describes the HUD programs directly affected by Section 3, receiving Federal financial assistance from the Department, and dictates how these programs are to provide employment and other economic opportunities for low and very low income persons.

What does the law cover?

Section 3 applies to any Public and Indian Housing programs that receive: (1) developmental assistance pursuant to section 5 of the U. S. Housing Act of 1937; (2) operating assistance pursuant to section 5 of the U.S. Housing act of 1937; or (3) modernization grants pursuant to section 14 of the U.S. Housing Act of 1937, and to housing and community development assistance extended for: (1) housing rehabilitation (including reduction and abatement of lead based paint hazards); (2) housing construction or (3) other public construction projects; and for which the contract and subcontract exceeds \$100,000.

What can you do about violations of the Law?

Remember, Section 3 applies to the awarding of jobs, training programs, and contracts, generated from projects receiving HUD financial assistance. If you believe that, as a low-income person or a Section 3 business concern, the responsibilities to provide economic opportunities under Section 3 have been violated, you have a right to file a complaint within 180 days of the last alleged occurrences of noncompliance.

Complain to the Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development, by filing this form by mail or in person. The information received will be used by HUD to determine jurisdiction under Section 3.

HUD will send the complaint to the appropriate HUD recipient for resolution. If resolution by the recipient fails, HUD will investigate. If HUD finds that the complaint has merit, it will try to end the violation by informal resolution. If conciliation fails, HUD may initiate other steps to enforce the law, including but not limited to suspension and debarment of the recipient or contractors as applicable.

You can obtain assistance in learning about Section 3 or in filing a complaint at the HUD Office listed below:

Assistant Secretary
HUD Fair Housing and Equal Opportunity
451 7th Street SW
Washington, DC 20410
(202)-708-3633

EXHIBIT H

Privacy Act of 1974 (P.L.93-579)

Authority: Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1968, as amended by the Housing and Community Development Act of 1992, U.S.C. 1701u and implementing regulations at 24 CFR Part 135.

Purpose: The information requested on this form is to be used to investigate and process Section 3 complaints.

Use: The information requested will be used to process a complaint filed under Part 135. HUD may disclose certain information for Federal, State, and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law.

Penalty: Failure to provide some or all of the requested information will result in delay or denial of HUD assistance.

Disclosure of this information is voluntary.