

SECTION 3 CLAUSE ACKNOWLEDGEMENT

Economic Opportunities for Low and Very Low-Income Persons (Section 3, HUD Act of 1968; 24 CFR 135)

- 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 Section 3 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 subcontract 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.

I have read and understand these requirements of this Section 3 funded project:

Business Name: _____

Business Address: _____

Print Name: _____

Signature

Date

SECTION 3 BUSINESS CONCERN CERTIFICATION FORM (1/2)

Name of Business _____

Address of Business _____

Type of Business: ☐ Corporation ☐ Partnership
 ☐ Sole Proprietorship ☐ Joint Venture

Choose One:

- ☐ My business is not a Section 3 business. Skip to Section B. and sign.
- ☐ My business is a Section 3 business in accordance with Section 3 Business Criteria below. Please complete Section A and sign Section B.

A. For businesses claiming preference as a Section 3 Business Concern only:

1. Your business is eligible for Section 3 Business Certification if it meets any ONE of the following criteria. Please check the applicable box that describes your business. **A Section 3 resident is a public housing resident or an individual who resides in the metropolitan area or nonmetropolitan county in which the Section 3 covered assistance is expended and who is considered to be a low-to very low-income person.**

- ☐ Fifty-one percent or more of your business is owned by a Section 3 resident or residents.
- ☐ Thirty percent or more of your permanent, full-time employees are Section 3 residents.
- ☐ You can provide evidence of a commitment to subcontract in excess of 25 percent of the amount of all subcontracts to Section 3 businesses: (a) that are fifty-one percent or more owned by public housing residents or (b) that has thirty percent or more of their permanent, full-time employees as public housing residents.

2. Attached is the following documentation as evidence of status:

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

- ☐ Copy of resident lease ☐ Copy of receipt of public assistance
- ☐ Other evidence as requested and/or approved by MHA

For businesses claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business:

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

SECTION 3 BUSINESS CONCERN CERTIFICATION FORM (2/2)

For businesses claiming Section 3 status, 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 |

3. Attach the following as applicable for your business entity:

- | | |
|--|--|
| <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 | <input type="checkbox"/> Corporation Annual Report |
| <input type="checkbox"/> Organization chart with names and titles statement | <input type="checkbox"/> Latest Board minutes appointing officers |
| | <input type="checkbox"/> Additional documentation and brief function statement |

Section 3 Business Concerns must also attach evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- ☐ Current financial statement
- ☐ Statement of ability to comply with public policy
- ☐ List of owned equipment
- ☐ List of all contracts for the past two years

B. Section 3 Business Certification Statement:

I hereby certify to the U.S. Department of Housing and Urban Development (HUD) and to the Housing Authority of the County of Marin that all of the information on this form is true and correct. I understand that it is my responsibility to conduct any due diligence necessary to make this certification and to maintain documentation establishing my Section 3 Business concern status. I also understand that failure to complete this form completely and accurately may result in debarment or other administrative remedies available to HUD, and criminal or civil penalties under federal, state, and local laws.

Authorizing Signature

Date

Printed Name and Title

SECTION 3 RESIDENT SELF-CERTIFICATION FORM (1/2)

ELIGIBILITY FOR PREFERENCE

A Section 3 resident seeking preference in training and employment provided by this part shall certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3 resident, as defined in Section 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.)

Certification for Resident Seeking Section 3 Preference in Training and Employment

I (Print Name), _____, am:

Check one:

- ☐ A public housing resident (no additional documentation is necessary – skip to signature line); or
- ☐ A Housing Choice Voucher holder; or
- ☐ An individual who resides in Marin County; and

I meet the income eligibility guidelines for a low- or very-low-income person as published on the reverse.

My permanent address is: _____

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

- ☐ Copy of lease or other evidence showing the individual resides in the County of Marin; and
- ☐ Documentation that the individual/ household is considered “low income” as defined as at or below 80% of the median income of the County of Marin (income limits on back page).

Signature

Date

Print Name

SECTION 3 RESIDENT SELF-CERTIFICATION FORM (2/2)

HOUSING AUTHORITY OF THE COUNTY OF MARIN

SECTION 3 INCOME LIMITS- FY 2018

All residents of public housing developments of the Marin Housing Authority qualify as Section 3 residents. Additionally, individuals residing in the County of Marin who meet the income limits set forth below can also qualify for Section 3 status.

A picture identification card and proof of current residency is required.

Eligibility Guideline

| Number in Household | Very Low Income | Low Income |
|----------------------------|------------------------|-------------------|
| 1 individual | \$30,800 | \$82,200 |
| 2 individuals | \$35,200 | \$93,950 |
| 3 individuals | \$39,600 | \$105,700 |
| 4 individuals | \$44,000 | \$117,400 |
| 5 individuals | \$47,550 | \$126,800 |
| 6 individuals | \$51,050 | \$136,200 |
| 7 individuals | \$54,600 | \$145,600 |
| 8 individuals | \$58,100 | \$155,000 |
| | | |

CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (1/5)

PART I: PURPOSE: To ensure that regulations promulgated under 24 CFR Part 135 “Economic Opportunities for Low- and Very Low-Income Persons” is met, MHA has developed and approved a Section 3 Policy. Information on specific compliance with Section 3 is found in MHA’s Section 3 Policy, or in the regulations at 24 CFR Part 135.

This form, along with all related required documents included shall serve as the ‘assurance of compliance’ certification and action plan as required in the bid documents, supplemental general conditions, and required forms for the contract for any HUD work funded by MHA.

Name of Business: _____

Business Address: _____

Contract Name/Solicitation #: _____

Total amount of Bid: _____

PART II: PRIOR COMPLIANCE CERTIFICATION

I am certifying that my business has complied with the HUD Section 3 regulations in its past HUD contracts/purchase orders.

Signature/Title

Print Name

Date

PART III: IS SECTION 3 TRIGGERED BY THIS CONTRACT?

IF CONTRACTOR DOES NOT ANTICIPATE TRIGGERING THE SECTION 3 REGULATIONS, YOU MUST INITIAL BOTH BOXES BELOW:

- ☐ I do not anticipate hiring any new permanent, temporary, or seasonal employees on this contract.
- ☐ I do not anticipate subcontracting any portion of the work on this contract.

If you checked both boxes, do NOT check any other boxes or select any other options on this form!
Skip to the attestation and notarized signature on the final page of Section 3 Form #3.

IMPORTANT: IF THIS CHANGES AT ANY POINT DURING YOUR CONTRACT, YOU MUST IMMEDIATELY CONTACT MHA AT: _____

CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (2/5)

PART IV: CONTRACTING/SUBCONTRACTING NEEDS:

If you plan to subcontract, please list the proposed subcontractors and amounts below. Attach a Section 3 Business Concern Self-Certification form for each Section 3 Business identified.

| Sub-contractor Name | Work to be performed (Building trade or Other type of work) | Section 3 Business? Yes/No | Contract Amount | % of Total Contract | D/WBE? |
|----------------------------|--|---|----------------------------|------------------------------------|---------------|
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Use an additional sheet if required

Total amount to be sub-contracted to Section 3 Business Concerns: \$ _____

Percentage of total \$ value of bid/contract: _____

IMPORTANT: Should the scope of work or needs of the contractor change, the contractor shall, to the greatest extent feasible, assure that subcontracts be awarded to Section 3 business concerns and shall immediately contact your MHA contract contact.

CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (3/5)

PART V: WORKFORCE NEEDS AND HIRING PLAN

Preliminary Statement for Workforce Needs: MHA intends to meet Section 3 compliance at the highest level and it is our intent to identify any short-term and long-term employment or contracting opportunities for qualified Section 3 persons and business concerns during the course of the contract funded by MHA via its contractors. Please list the status of all planned employment positions and opportunities for this contract. Preference for all opportunities must be given to low- and very low-income residents if they qualify. If awarded a contract, the Contractor is required to provide a list of the aggregate workforce on this project. Any changes to that workforce during the project will constitute new hires. Contractor is hereby notified that the contractor must notify MHA or contractor (respectively) overseeing your contract of any new hire opportunities that arise during the life of your contract. *Anticipated workforce list may be provided on a separate sheet or in a different format.*

| 1. List Job Title/Trade | 2. Total # of Employees Needed to complete Scope of Work by Job Title | 3. Total # from Current Staff | 4. Of the total # in column (3), how many are Section 3 Hires within the past 3 years? | 5. Total # of New Hires Needed (Column 2 – Column 3) | 6. Total # of New Hires expected to be Section 3 Residents |
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Use an additional sheet if required

CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (4/5)

PART VI. OTHER REQUIREMENTS

Outreach Plan:

Check all methods you will employ to hire Section 3 residents. Posting the position in community spaces that are generally available to low-income residents and the general public is a standard requirement.

Check at least three (3) other methods you will employ:

- ☐ The local community newspaper(s)
- ☐ The most widely distributed newspaper
- ☐ MHA website
- ☐ MHA properties management offices in a conspicuous location
- ☐ Homeless service agencies
- ☐ Local HUD-supported housing communities
- ☐ Local Workforce Board
- ☐ Email blast residents on the MHA Section 3 Resident List
- ☐ Post notices on social media controlled by MHA
- ☐ Other locations as approved by MHA

Documentation of "To the Greatest Extent Feasible":

The contractor will work with MHA Section 3 Coordinator and other designated staff to notify residents of any opportunities afforded under the contract. The contractor will collaborate with MHA by giving preference of any employment opportunities to the Section 3 persons or business concerns.

The contractor and subcontractor(s) shall recruit or attempt to recruit from MHA's Section 3 area, based on the priority order in MHA's Section 3 Policy, the necessary number of low-income and very low-income residents through documentation of their efforts and of any impediments to comply. MHA's contractors and subcontractors shall:

1. Maintain a list of all low-income area residents who have applied, either on their own or from referral from any source, and employ such person if otherwise qualified and if a vacancy exists.
2. Review and consider the Section 3 Resident List provided by MHA prior to making new hires.
3. Certify that the contractor has not filled vacant employment positions in its workforce immediately prior to undertaking work in an attempt to circumvent Section 3 regulations.

CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (5/5)

Recordkeeping:

The contractor shall maintain on file all records related to employment and job training of low-income and very low-income residents or other such records, advertisements, legal notices, brochures, flyers, publications, assurances of compliance from subcontractors, etc., in connection with this contract. If there is a report that is needed as part of the submission, the contractor agrees to provide it timely. The contractor shall, upon request, provide such records or copies of records to MHA, its staff, or agents.

Reports:

The contractor shall provide reports as required in connection with the contractor specifications. All certified and regular payrolls shall clearly detail which employees qualify under Section 3.

Certification:

The contractor will certify that any vacant employment positions, including training positions filled:

- (1) After the contractor is selected but before the contract is executed; and
- (2) With persons other than Section 3 residents

were not filled to circumvent the subcontractor's obligations under 24 CFR Part 135.

Other Economic Opportunities:

If a contractor has demonstrated that it has no need or plans to subcontract or hire, or that can demonstrate that it has attempted, to the greatest extent feasible, to meet Section 3 hiring and contracting goals but cannot, may provide other economic opportunities to Section 3 residents and business concerns as described in the MHA Section 3 Policy. These opportunities must be described in a written plan on how the contractor will offer other economic opportunities. A contractor that has a need to hire or sub-contract may not use other economic opportunities as a substitute to attempt to meet hiring or contracting goals; the contractor must still demonstrate how it attempted to the greatest extent feasible, to meet the goals.

Grievance and Compliance:

The contractor or sub-contractor hereby acknowledges that they understand that any low-income and very low-income resident of the project area, for him/her or as representatives of persons similarly situated, seeking employment or job training opportunities in the project area, or any eligible business concerns seeking contract opportunities may file a grievance if efforts to the greatest extent feasible were not executed. The grievance must be filed with HUD not later than one hundred eighty (180) calendar days from the date of the action (or omission) upon which the grievance is based.

ATTESTATION:

I attest that the above information is true and correct and that by signing below, the Contractor hereby agrees to comply with Section 3 requirements.

Name of Prime Contractor: _____

Name/ Title of Authorized Officer: _____

Signature: _____ Date: _____