

Exhibit 1

CONTRACTOR SECTION 3 PLAN

(Contractor) agrees to implement affirmative steps to comply with the Section 3 requirements set forth at 24 CFR 75 directed at increasing the utilization of lower income residents and businesses within the City or County of _____.

- A. To implement Section 3 requirements by seeking the assistance of local officials in determining the exact boundaries of the applicable project area.
- B. To attempt to recruit from within the City/County the necessary number of lower income residents through local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within or serving the project area.
- C. To maintain a list of all lower income residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.
- D. To insert this Section 3 plan in all bid documents, and to require all bidders to submit a Section 3 affirmative action plan including utilization goals and the specific steps planned to accomplish these goals.
- E. To formally contact unions, subcontractors and trade associations to secure their cooperation for this program.
- F. To maintain records, including copies of correspondence, memoranda, etc., which document that all the above affirmative action steps have been taken.
- G. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 plan.
- H. To list all permanent workforce for this project by job title.
- I. To list all projected workforce needs for this project by job classification and time frame for potential hire.

As officers and representatives of _____
(Name of Bidder)

We, the undersigned, have read and fully agree to the above and become a party to the full implementation of this program.

Signature

Title

Date

Exhibit 1

**CERTIFICATION OF BIDDER
REGARDING SECTION 3
AND SEGREGATED FACILITIES**

Name of Proposed Contractor

Project Name & Number

The undersigned hereby certifies that:

- a. Section 3 provisions are included in the Contract.
- b. A written Section 3 plan was prepared and submitted as part of the bid proceedings
- c. No segregated facilities will be maintained.

Signer Name

Title

SIGNATURE

DATE

Exhibit 2

**Section 3 Worker Certification
Form A2**

A Section 3 Worker seeking the preference in training and employment provided by this part shall certify or submit evidence to the recipient contractor or subcontractor that the person is a Section 3 Worker, as defined in Section 24 CRF 75.

Worker Name: _____

Household Income Guidelines:

Place a check mark beside the number of people in your (the worker's) household.

Place Check	Household/ Family Size	Income Limit
	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	

Income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>

Place a check mark beside any of the following that apply below:

My income for the previous year was below the amount next to the household/family size I checked on the table above.

I am employed by a Section 3 business concern.

I am a Youthbuild participant.

I hereby certify that the information provided by me to be true and correct and understand any falsification of any of the information could subject me to disqualification from participation.

Signature

Date

Exhibit 2

**Section 3 Business Concern Certification Form
Form B1**

To Self-Certify as a Section 3 Business your company/firm per 24 CFR 75, must meet one of the listed categories below. You must provide that supporting documentation with this form to be properly and completely confirmed as a Section 3 business.

Section 3 Business Category	Additional Required Data	Mark an "X" on Your Election
It is at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Self-Certification form for all low- and very low-income owners	
Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self-Certification for all low- and very low-income workers you list	
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8- assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Worker Self Certification form for all public housing and/or Section 8 owners	

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business

Signature: _____

Date Signed: _____

Print Name: _____

Title: _____

Company Name: _____

Address: _____

Telephone Number: _____

Exhibit 2

**Section 3 Business Owner Certification
Form B2**

A business owner seeking Section 3 Business Certification shall certify and submit this form in conjunction with the Section 3 Business Self-Certification form.

Owner Name: _____

Percent Ownership of Business: _____

Household Income Guidelines:

Place a check mark beside the number of people in your (the owner's) household.

Place Check	Household/ Family Size	Income Limit
	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	

Income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>

Place a check mark beside any of the following that apply below:

My income for the previous year was below the amount next to the household/family size I checked on the table above.

I am currently a resident of public housing or live in Section 8 assisted housing.

I hereby certify that the information provided by me to be true and correct and understand any falsification of any of the information could subject me to disqualification from participation.

Employee Signature

Date

Exhibit 3

**Targeted Section 3 Worker Certification
Form C**

A Targeted Section 3 Worker seeking the preference in training and employment provided by this part shall certify or submit evidence to the recipient contractor or subcontractor that the person is a Section 3 Worker, as defined in Section 24 CRF 75.

Worker Name: _____

Household Income Guidelines:

Place a check mark beside the number of people in your (the worker's) household.

Place Check	Household/ Family Size	Income Limit
	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	

Income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>

Section 3 Project/Service Area:

Place a check mark beside any of the following that apply below:

My income for the previous year was below the amount next to the household/family size checked on the table above, and I live within the project/service area as defined above.

I am employed by a Section 3 Business Concern

I am a YouthBuild participant

Employee Signature

Date

Exhibit 4

Targeted Section 3 And Section 3 Worker Tracking Form
Form D

Section 3 established benchmark goals for (a) 25% of total labor hours worked by Section 3 workers, and (b) 5% of total labor hours worked by Targeted Section 3 workers.

[Section 3 Labor Hours Tracking Form](#)

Subrecipients should use the Section 3 Labor Hours Tracking Form (Exhibit 5, Form D) to track the labor hours of the workers across all contracts and subcontracts involved in the Section 3 project. This form/spreadsheet will keep a running total of the labor hours, Section 3 hours, and the Targeted Section 3 hours worked. The Section 3 benchmark percentages are also automatically calculated and adjusted any time new labor hours are added, to allow the subrecipient to always know where it stands with benchmark compliance.

When Commerce monitors a CDBG-funded activity, the Commerce representative conducting the monitoring will check the grant records to verify how Section 3 requirements are being met, that the appropriate documentation, forms, and certifications are in the file, and to check the current status of meeting the benchmarks.

Safe Harbor Compliance Form
Form E

Additional reporting if Section 3 benchmarks are not met. If the recipient's reporting under paragraph (a) of this section indicates that the recipient has not met the Section 3 benchmarks described in § 75.23, the recipient must report in a form prescribed by HUD on the qualitative nature of its activities and those its contractors and subcontractors pursued. Such qualitative efforts may, for example, include but are not limited to the following:

- Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- Provided training or apprenticeship opportunities.
- Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
- Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- Held one or more job fairs.
- Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care).
- Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
- Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

Other: _____

Business Owner or Designee Name (Print)

Signature

Date

Section 3

NOTICE TO CITIZENS IN THE CITY/COUNTY OF _____

OPPORTUNITY FOR WORK

The City/County of _____ has received a \$_____ Community Development Block Grant from the Kansas Department of Commerce to _____ (type of project) in the City/County of _____.

This grant will provide the City/County of _____ the opportunity to search for eligible local citizens interested in participating in the project. Section 3 of the Housing and Urban Development Act of 1968, as amended through 1994, provides that to the greatest extent feasible, preference for economic opportunities will be given to citizens in _____ City/County who are determined to be low- to moderate- income individuals. A low- to moderate- income individual can be calculated by documenting household income of less than 80 percent of the county median income. Opportunities such as job training and employment that arise through this Community Development Block Grant project will be directed toward City/County residents. Section 3 business concern can be eligible for a Section 3 contract as awarded in connection with CDBG projects if they meet at least one of the following criteria, documented within the last six-month period:

- It is at least 51 percent owned and controlled by low- or very low-income persons;
- Over seventy-five (75) percent of the labor hours performed by the business are performed by low or very low-income persons; or
- It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Section 3 requirements apply to the City/County as a grantee, if the project activity is more than \$200,000 in funding from housing and community development financial assistance programs.

If you wish to determine if you qualify or have an interest in serving as a subcontractor for this project, please contact _____,

_____.

If you are interested in job training or other employment resources, please contact:

KANSASWORKS services at 1-877-509-6757

www.kansasworks.com

FINAL SECTION 3 UTILIZATION REPORT

(To be Completed by contractors and subs for all Projects at or Exceeding \$200,000)

A. SECTION 3 EMPLOYEE LABOR INFORMATION
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Name of CDBG Grantee:	CDBG Project Number:
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Wage Decision Number:	
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Total Number of Labor Hours on Project:	
Total Labor Hours:	
All Section 3 Worker Labor Hours:	
Targeted Section 3 Work Hours only:	

Labor Hour Percentage Results	%
Section 3 Worker Percentage:	
Targeted Section 3 Worker Percentage:	
<small>*Section 3 Worker Benchmark = 25% *Targeted Section Worker Benchmen= 5%</small>	

B. CERTIFICATION

Name of Contractor/Sub Contractor	
Address:	
Telephone Number:	

On behalf of the Company, I hereby certify that the above information is true and accurate and is reported fully as required by the Section 3 Affirmative Action Plan as part of the contract for this CDBG assisted construction project. It is further understood that final payment from the State of Kansas CDBG Program for this project cannot be made until this Report is submitted to the CDBG Grantee or authorized designee.

Name: _____ Signature: _____ Date: _____

Documents that need Submitted with Closeout:

1. Section 3 Labor Hours Tracking Form (Page 1)
2. Final Section 3 Utilization Report
3. If Benchmarks are not meet, please provide **Form E** for each business that did not meet the Threshold.

Additional Section 3 Information

- Section 3 Complaint Register Forms can be found at:

https://www.hud.gov/program_offices/field_policy_mgt/section3/complaint_register

- PHA Contact information can be found at:

https://www.hud.gov/program_offices/public_indian_housing/pha/contacts