

**THIS CLAUSE MUST BE INCLUDED IN ALL SECTION 3 COVERED RFPs, RFQs, BIDS AND CONTRACTS**

### Section 3 Clause

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 the 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 in the project area.

The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, 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 75 regulations.

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; job titles subject to hire; availability of apprenticeship and training positions; the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. 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 75.

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 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.

Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

THIS DOCUMENT AND A COMPLETE PERMANENT AND PROJECT WORKFORCE BREAKDOWN SPREADSHEET (FORM S3B-1) **MUST** BE SUBMITTED BY THE BIDDER WITH THE BID DOCUMENTS

Section 3 Assurances (Form S3B-1)

Name of Official Representative	
Business/Contractor Name	
Project Name or Bid Number	

I, the undersigned, as official representative of the above-named business/contractor hereby certify that:

1. A complete permanent and project workforce breakdown form (S3B-2) has been submitted with this bid for the above-named business/contractor and each subcontractor that is known to be a party to this project.
2. The above-named business will comply with Section 3 requirements, to include recordkeeping and reporting, and will cause any subcontractor to comply with Section 3 requirements, to include recordkeeping and reporting, for the above-named project
3. The above-named business/contractor will make, and cause any subcontractor to make every attempt to hire qualified Section 3 and Targeted Section 3 workers for any unfilled positions.
4. The above-named business/contractor will make every attempt to hire subcontractors that are Section 3 businesses.
5. I understand that failure to comply may result, in whole or in part, in contract cancellation, termination of suspension.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### **S3B-2 INSTRUCTIONS**

Form S3B-2 collects information necessary to identify existing and planned Section 3 workers by job classification and requires the bidder:

1. Enter an employee identifier or indicate if a position is vacant;
2. Select a position classification from a dropdown menu;
3. Indicate if the position is part of the permanent workforce;
4. Provide the total estimated labor hours the employee will work on the project;
5. Indicate if the employee is a Section 3 worker or Targeted Section 3 worker;
6. Indicate if the employee is paid hourly or salary; and
7. Enter an approximate date of hire if the position is vacant.



**Enter information only in green-shaded cells.**

**Submit one attachment for the prime contractor and one for each subcontractor**

ATTACHMENT A - PERMANENT AND PROJECT LABOR FORCE

Recipient Name	This information to be provided by recipient
ADOH Contract Number	This information to be provided by recipient
Activity Number	This information to be provided by recipient
Project Name/Bid Number	This information to be provided by recipient
Contractor or Subcontractor Name	
Section 3 Business	Select yes or no from the dropdown menu

Select yes or no from the dropdown menu. The definition of a Section 3 business is included in Tab 2.

[illegible]

## SUB-CONTRACTORS AND MATERIAL SUPPLIERS LIST

The Contractor shall list below all qualified subcontractors and material suppliers for this project.

Specialty	Sub-contractor/Material Supplier Name	License #



### Section 3 Business Self-Certification Form (S3B-3)

A Section 3 Business shall certify and provide evidence the business is a Section 3 Business as defined in Section 24 CRF 75.

Business Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Federal ID Number \_\_\_\_\_  
Contact Person \_\_\_\_\_

√	
	The business named above is 51% or more owned and controlled by very-low or low-income persons.
	The business named above is 51% or more owned and controlled by public housing residents or residents currently residing in Section-8 assisted housing.
	Over 75% of the labor hours worked during the past three months by employees of the business named above were performed by employees who are very-low or low-income, or YouthBuild participants.

I hereby certify that:

1. The undersigned has the legal authority to make these certifications on behalf of the named business.
2. Documentation not less than six months old and supporting the above assertion of eligibility is attached.
3. I am aware that both I and the business named above are liable for civil or criminal penalties for willful falsification of any information provided in this document.

Name of Person Completing Form \_\_\_\_\_  
Title of Person Completing Form \_\_\_\_\_  
Signature \_\_\_\_\_  
Date \_\_\_\_\_

### Targeted Section 3 Worker Self-Certification Form (S3C-1C)

A Section 3 Worker seeking the preference in training and employment 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.

Name of Worker \_\_\_\_\_

√	
	I am a YouthBuild participant.
	I was hired within the past five years and at the time of my hire was 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 and punishment under the law.

I understand this certification is valid for five years from the date of signature.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Targeted Section 3 Worker Employer Certification Form (S3C-1D)

An employer of a Section 3 Worker seeking the preference in training and employment shall certify and maintain evidence the worker is a Section 3 Worker as defined in Section 24 CRF 75.

Name of Employee \_\_\_\_\_

√	
	The employee named above resides within the project area as defined in the bid documents.
	The employee named above was hired within the past five years. At the time of hire, the employee resided within the project area as defined in the bid documents.
	I have certified this business as a Section 3 business and the employee is part of the business's permanent workforce.

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 and punishment under the law.

I understand this certification is valid for five years from the date of signature.

Employer Name \_\_\_\_\_

Employer Representative Name \_\_\_\_\_

Signature of Employer Representative \_\_\_\_\_

Date \_\_\_\_\_



# JOBS! JOBS! JOBS!

## Section 3 Notice – Employment and Training Positions Available (Form S3P-1)

**Name:** *[recipient or contractor/sub-contractor]*

**Project:** *[describe project]*

**Project Area:** *[one-mile radius or larger if fewer than 5,000 people within one mile radius]*

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To comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended by the Housing and Community Development Act of 1992, and implementing regulations, *[name of recipient, contractor or sub-contractor]* hereby notifies all labor organizations or representatives of workers with whom it has a collective bargaining agreement or other understanding and all employees or applicants for training and employment that it will **give preference in filling new positions and in all training opportunities to persons who meet the requirements stated below.** *All persons must meet the minimum qualifications of the position to be considered for employment/training.*

1. Resides within the project area *[describe]*; or
2. Has an income for the previous or annualized calendar year that is below the HUD very-low or low-income limit; or
3. Is employed by a Section 3 business; OR
4. Is a YouthBuild participant.

***It is the responsibility of the applicant to document his/her status in any of the categories described above.***

*[Contractor/sub-contractor]* will be accepting applications for the following positions on *[date]* at *[location]*:

**Positions that will be available:**

<u>Title</u>	<u>Number</u>	<u>Minimum Qualifications</u>
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**Training and apprenticeship positions that will be available:**

<u>Title</u>	<u>Number</u>	<u>Minimum Qualifications</u>
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For further information, including requests relating to accessibility needs, please contact:

[Name]

[Address]

[Phone Number, TTY, E-mail]

[Recipient should consult with the ADOH to determine if this notice should be posted in languages other than English.]

### Sample Employment Survey (Form S3P-2)

**NOTE:** Consult the ADOH to determine if this form should be translated into another language.

The [recipient] anticipates receiving federal housing and community development funds from the State of Arizona Department of Housing to undertake activities to improve the community. As a result of this funding, the [recipient] will be hiring additional staff and/or contractors in the near future to do various types of construction and related work. The [recipient] and/or contractors will be employing people with various types and ranges of skills. If you are interested in this type of employment, please complete the form on the reverse side and return it to the address indicated below. This form also asks whether you would be interested in training in any of these occupations and any special work-related needs you may have. You may be notified at a later date as to any further action you must take to be considered for employment, training or work-related services.

If you have further questions or special accessibility needs, please contact [name] at [phone number or TTY].

Return this form to: [recipient name and address]

Name	
Address	
City, State, Zip Code	
Phone Number	
E-mail Address	

Please indicate any services you would need to enable you to accept employment or participate in job training:

√	
	Child care
	Transportation
	Clothing
	English as a second language
	Other:

Please indicate office skills that you have:

√	
	Typing. Words per minute:
	Filing
	Software programs (list):
	Other:
	Other:

Please indicate construction skills that you may have or would like training for in the table on the following page.

Job Category	I would like training in this area ✓	Length of Experience			
		0 – 3 Months ✓	4 – 6 months✓	7 months – 1 year ✓	More than 1 year ✓
Plumbing					
Carpentry					
Roofing					
Painting					
Interior					
Exterior					
Sewer					
Landscaping					
Sprinklers					
Plants					
Lawns					
Tree Pruning					
Tree Cutting					
Stump Removal					
Drywall					
Tile Flooring					
Carpet Laying					
Insulation					
Brick Layer					
Electrician					
Residential					
Commercial					
Laborer					
Cement Mason					





Enter information only in green-shaded cells.

Recipient

ADOH Contract Number

Activity Name and/or Number


Contractor or Subcontractor report

Contractor Name

Section 3 Contractor

Payroll Period Begin Date

Payroll Period End Date

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Select Yes or No from the  
dropdown menu


Alternate Labor Hours Report Format in Use (Yes/No)

One or more subcontracts were awarded during the payroll period (Yes/No)

One or more employees were hired for the project workforce during the payroll period (Yes/No)

Information to be provided by Recipient.

Information to be provided by Recipient.

Information to be provided by Recipient.

**Select contractor or subcontractor from dropdown menu.**

**Enter the Name of the Contractor or Subcontractor**

**Indicate if the named contractor/subcontractor is a Section 3 business by selecting yes or no from the dropdown menu.**

**Enter the beginning date of the payroll period being reported.**

**Enter the ending date of the payroll period being reported.**

**If yes, do *not* complete Tab 2 Labor Hours. If no, complete Tab 2 Labor Hours.**

**If yes, complete Tab 3 Subcontracts and Tab 4 Qualitative Activities (lines 18 through 23 as applicable).**

**If yes, complete Tab 4 Qualitative Activities (lines 12 through 15 as applicable).**



**Enter information only in green-shaded cells.**

Contractor Name	Reporting Period Begin Date	Reporting Period End Date
0	1/0/1900	1/0/1900

[illegible]

### Section 3 Contractor Report Form (S3R-1C)

The Section 3 Contractor Report Form (S3R-1C) is available in spreadsheet format on the ADOH website at <https://housing.az.gov/documents-links/handbooks>. Contractors/subcontractors must submit this form to the recipient/subrecipient for each payroll period.

Form S3R-1C includes four tabs and instructions for reporting by contractors to recipients/subrecipients and by subcontractors to contractors.

Tab 1 – Complete this Tab First: collects contractor/subcontractor information, the ADOH Contract Number and Activity Name and/or Number, and the beginning and ending dates of the payroll period. This information is carried forward to Tabs 2, 3, and 4. Tab 1 also requires contractors/subcontractors answer three (3) yes or no questions and provides further instructions on completing Tabs 2, 3, and/or 4.

Tab 2 – Labor Hours: must be completed with each payroll when any labor hours are worked by the contractor and/or subcontractor(s). This form collects information regarding each employee working on the project, whether they are a Section 3 or Targeted Section 3 worker, and the total project labor hours worked during the reporting period. Section 3 totals and percentages are automatically calculated.

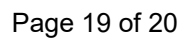
Tab 3 – Subcontracts: must be completed when one or more subcontracts are awarded by any contractor during the reporting period. This form collects the Subcontractor Name, Federal ID Number, Address, type of contract (trade, service, professional service, or supply), whether the contracted entity is a Section 3 Business, the date of the contract, and the dollar amount of the contract.

Tab 4 – Qualitative Activities: must be completed when one or more employees were hired for the project workforce by a contractor/subcontractor, and/or if one or more subcontracts were awarded during the reporting period. This form allows contractors/subcontractors to select yes or no from a dropdown menu for specified qualitative activities. Contractors/subcontractors may also describe qualitative activities not specified.



[illegible][illegible]





## Other (describe)

**Activity Conducted  
(Select Yes or No  
from the dropdown  
menu)**


**Section 3 Businesses**

Conducted outreach to identify and secure bids from qualified Section 3 businesses.

Provided technical assistance to Section 3 business to help them understand and bid on contracts.

Divided contracts into smaller jobs to facilitate participation by Section 3 businesses.

Provided bonding assistance, guarantees, or other efforts to support viable bids.