

SECTION 3 COMPLIANCE MANUAL

**North Dakota Department of Commerce
Division of Community Services
1600 East Century Avenue, Suite 6
PO Box 2057
Bismarck, North Dakota 58502-2057
(701) 328-5300 Phone
(701) 328-5320 Fax**

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Overview of Section 3 Requirements

A. WHAT IS SECTION 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) that is regulated by the provisions of 24 CFR 75. Section 3 regulations ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low- and very low-income persons.

B. PURPOSE OF THIS DOCUMENT

This plan outlines how the North Dakota Department of Commerce, Division of Community Services and its Grantees, grant administrators, contractors and subcontractors will comply with HUD's Section 3 requirements in implementing North Dakota Department of Commerce, Division of Community Services' CDBG program. Grantees will, to the greatest extent feasible, ensure that employment and other economic opportunities are directed to low- and very low-income persons (Section 3 workers and Targeted Section 3 workers) and to eligible businesses (Section 3 Businesses) and requires the same of its contractors.

North Dakota Department of Commerce, Division of Community Services may amend its Section 3 Policies and Procedures document as necessary to ensure continued compliance with HUD's requirements and/or to reflect updated Section 3 guidance and outreach strategies.

C. APPLICABILITY

For CDBG financial assistance, this plan applies to housing rehabilitation, housing construction, and other public construction projects that exceed \$200,000 or more of housing and community development financial assistance from one or more HUD programs. Applicability is determined at the project level.

This plan also applies to projects that include multiple funding sources. Multiple funding source projects include projects that include public housing financial assistance, housing and community development financial assistance for single or multiple recipients.

Section 3 requirements do not apply to: 1) Material Supply Contracts - § 75.3(b), 2) Indian and Tribal Preferences - § 75.3(c), and 3) Other HUD assistance and other Federal assistance not subject to Section 3 §75.3 (d). However, for financial assistance that is not subject to Section 3, recipients are encouraged to consider ways to support the purpose of Section 3.

Section 3 Coordinator

North Dakota Department of Commerce, Division of Community Services' Section 3 Coordinator serves as the central point of contact for Section 3 compliance for Grantees and its subrecipients, contractors and subcontractors supporting the program. Subrecipients, contractors, subcontractors and others are encouraged to reach out to North Dakota Department of Commerce, Division of Community Services' Section 3 Coordinator with questions regarding Section 3 compliance:

Employment, Training, and Contracting Goals

A. SAFE HARBOR COMPLIANCE

Grantees will be considered to have complied with the Section 3 requirements and met safe harbor, if they certify that they followed the required prioritization of effort and met or exceeded the Section 3 benchmarks, absent evidence of the contrary.

Prior to the beginning of work, contractors and subcontractors will be required to certify that they will follow the required prioritization of effort for Section 3 workers, Targeted Section 3 workers, and Section 3 business concerns as outlined below in the Section 3 Acknowledgement form (SFN 62112).

If the contractor and subcontractor does not meet the safe harbor requirements, they must provide evidence that they have made qualitative efforts to assist low and very low-income persons with employment and training opportunities.

B. SAFE HARBOR BENCHMARKS

The North Dakota Department of Commerce, Division of Community Services has established employment and training goals that Grantee's, contractors, and subcontractors should meet in order to comply with Section 3 requirements outlined 24 CFR Part 75.19. The safe harbor benchmark goals are as follows:

- 1) Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers;

$$\text{Section 3 Labor Hours/Total Labor Hours} = 25\%$$

And

- 2) Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined at 24 CFR Part 75.21.

$$\text{Targeted Section 3 Labor Hours/Total Labor Hours} = 5\%$$

HUD establishes and updates Section 3 benchmarks for Section 3 workers and/or Targeted Section 3 workers through a document published in the Federal Register, not less frequently than once every 3 years. Given that the Section 3 benchmarks are subject to change every three years or sooner, The North Dakota Department of Commerce, Division of Community Services will review and update the Section 3 Plan every 3 years, as needed.

It is the responsibility of contractors to implement efforts to achieve Section 3 compliance. Any contractor that does not meet the Section 3 benchmarks must demonstrate why meeting the benchmarks were not feasible. All contractors submitting bids or proposals to the Grantee are required to certify that they will comply with the requirements of Section 3.

C. CERTIFICATION OF PRIORITIZATION OF EFFORT FOR EMPLOYMENT, TRAINING, AND CONTRACTING

EMPLOYMENT AND TRAINING

Under the North Dakota Department of Commerce, Division of Community Services' Section 3 Program, contractors and subcontractors should make best efforts to provide employment and training opportunities to Section 3 workers in the priority order listed below:

- 1) Business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which assistance is located in the following order of priority:
 - a) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project; and
 - b) YouthBuild programs.

Contractors and subcontractors will be required to certify that they will and have made best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

Section 3 Eligibility and Certifications

Individuals and businesses that meet Section 3 criteria may seek Section 3 preference from North Dakota Department of Commerce, Division of Community Services or its contractors/subcontractors for training, employment, or contracting opportunities generated by CDBG funds.

To qualify as a Section 3 worker, Targeted Section 3 worker or a Section 3 business concern, each must self-certify that they meet the applicable criteria, utilizing the form(s) below:

- Section 3 Business Concern Certification form (SFN 62111)
- Section 3 Worker Self-Certification form (SFN 62110)

Businesses who misrepresent themselves as Section 3 business concerns and report false information to The North Dakota Department of Commerce, Division of Community Services may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities.

A. SECTION 3 WORKER AND TARGETED SECTION 3 WORKER CERTIFICATION

A Section 3 worker seeking certification shall submit self-certification documentation to the recipient contractor or subcontractor, that the person is a Section 3 worker or Targeted Section 3 worker as defined in 24 CFR Part 75. For the purposes of Section 3 worker eligibility, North Dakota Department of Commerce, Division of Community Services will use individual income rather than family/household income to determine eligibility. The income limits will be determined annually using the guidelines published at <https://www.huduser.org/portal/datasets/il.html>.

Persons seeking the Section 3 worker preference shall demonstrate that it meets one or more of the following criteria currently or when hired within the past five years, as documented:

- 1) A low or very low-income resident (the worker's income for the previous or annualized calendar year is below the income limit established by HUD); or
- 2) Employed by a Section 3 business concern; or
- 3) A YouthBuild participant.

Persons seeking the Targeted Section 3 worker preference shall demonstrate that it meets one or more of the following criteria:

- 1) Employed by a Section 3 business concern or

- 2) Currently meets or when hired met at least one of the following categories as documented within the past five years:
 - a) Living within the service area or the neighborhood of the project, as defined in 24 CFR Part 75.5; or
 - b) A YouthBuild participant.

Section 3 workers and Targeted Section 3 workers who are seeking preference in training and employment must submit the Section 3 Worker Self Certification Form (SFN 62110).

PROJECTS INVOLVING MULTIPLE SOURCES OF FUNDING

In cases where Section 3 covered projects include multiple sources of funds, including public housing financial assistance and housing and community development assistance, the Grantee must follow the definition of Targeted Section 3 worker and priorities as outlined in subpart C of Part 75.

B. SECTION 3 BUSINESS CONCERN CERTIFICATION

The North Dakota Department of Commerce, Division of Community Services encourages contractors and subcontractors to make best efforts to award contracts and subcontracts to Section 3 business concerns.

Businesses that believe they meet the Section 3 Business requirements can self-register in the HUD Business registry, here: <http://www.hud.gov/Sec3Biz>. Businesses may seek Section 3 Business Concern preference by demonstrating that it meets one or more of the following criteria:

- 1) At least 51 percent of the business is owned and controlled by low- or very low-income persons;
- or
- 2) At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
 - 3) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers.

Businesses that seek Section 3 preference shall certify, or demonstrate to the North Dakota Department of Commerce, Division of Community Services, contractors or subcontractors, that they meet the definitions provided in the above. Businesses may demonstrate eligibility by submitting the Section 3 Business Concern Certification Form (SFN 62111).

Section 3 Business Concern Certification Forms must be submitted at the time of bid/proposal. If the North Dakota Department of Commerce, Division of Community Services previously approved the business concern to be Section 3 certified, then the certification can be submitted along with the bid, as long as the form is submitted within the prescribed expiration date. The Section 3 Business Concern Certification Form will expire after 12 months.

Establishing a 12 month certification of eligibility period allows the North Dakota Department of Commerce, Division of Community Services the ability to assess contractor performance to ensure the business is striving to meet the required goals.

Assisting Contractors with Achieving Section 3 Goals

In an effort to assist contractors with meeting or exceeding the Section 3 goals, the Grantee will do the following:

- 1) Share Section 3 Plan with contractors and subcontractors and explain policies and procedures
- 2) Require contractors wishing to submit a bid/offer/proposal to attend pre-bid meeting
- 3) Require contractor to sign the Section 3 Plan at pre-construction conference
- 4) Review Section 3 benchmarks and prioritization of effort with contractors and subcontractors to ensure that the goals are understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to meet Section 3 benchmark goals by utilizing existing qualified workforce and by considering qualified eligible Section 3 workers and Targeted Section 3 workers (per the prioritization of effort outlined in Section #3) before any other person, when hiring additional employees is needed to complete proposed work to be performed with CDBG.
- 5) At the time of bid, require the contractor to present a list, of the number of total labor hours, Section 3 worker labor hours, and Targeted Section 3 worker labor hours expected to be generated from the initial contract and a list of projected number of available positions, to include job descriptions and wage rates.
- 6) Maintain a local Section 3 worker/Targeted Section 3 worker database and provide the contractor with a list of interested and qualified Section 3 workers and Targeted Section 3 workers and contact information.
- 7) Inform contractors about the HUD Section 3 Opportunity Portal
<https://hudapps.hud.gov/OpportunityPortal/>
- 8) Require contractors to notify Section 3 Coordinator of their interests regarding employment of Section 3 workers prior to hiring.
- 9) Encourage local business to register on the HUD Business Registry and direct contractors to the HUD Section 3 Business Registry
<https://www.hud.gov/section3businessregistry>

Section 3 Outreach

A. OUTREACH EFFORTS FOR EMPLOYMENT AND TRAINING

When training opportunities are available, contractors and subcontractors should, to the greatest extent feasible:

- 1) Attend training opportunities when available
- 2) Provide information/handouts about Section 3 training opportunities to potential Section 3 workers and Targeted Section 3 workers

Contractors and subcontractors should employ several active strategies to notify Section 3 workers and Targeted Section 3 workers of Section 3 job opportunities, including but not limited to:

- 1) Clearly indicating Section 3 eligibility on all job postings with the following statement:
“This job is a Section 3 eligible job opportunity. We encourage applications from individuals that are low income and/or live in Public Housing and/or receive a Section 8 voucher”.
- 2) Including the Section 3 Worker and Targeted Section 3 Worker Self-Certification Form in all job postings.
- 3) Working with the Section 3 Coordinator to connect Section 3 worker and Targeted Section 3 workers in the [Section 3 Opportunity Portal](#) to find qualified candidates.

- 4) Establishing a current list of Section 3 eligible applicants.
- 5) Contacting local community organizations and provide them with job postings for Section 3 eligible applicants; and
- 6) Coordinating a programmatic ad campaign, which results in widespread job posting across diverse ad networks including:
 - a) Advertising job opportunities via social media, including LinkedIn and Facebook.
 - b) Advertising job opportunities via flyer distributions and mass mailings and posting ad in common areas of housing developments and all public housing management offices.
 - c) Contacting resident councils, resident management corporations, and neighborhood community organizations to request their assistance in notifying residents of available training and employment opportunities.

B. OUTREACH EFFORTS FOR CONTRACTING

When contracting opportunities arise in connection with the CDBG program, Grantees will employ the following strategies to notify Section 3 Business Concerns of Section 3 contracting opportunities, including but not limited to:

- 1) Adding the Section 3 Clause to all RFPs, procurement documents, bid offerings and contracts
- 2) Coordinating mandatory pre-bid meetings to inform Section 3 Business Concerns of upcoming contracting opportunities.
- 3) Advertising contracting opportunities in local community papers and notices that provide general information about the work to be contracted and where to obtain additional information.
- 4) Providing written notice of contracting opportunities to all known Section 3 Business Concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to bid invitations.
- 5) Coordinating with the prime contractor to publicize contracting opportunities for small businesses.
- 6) Coordinating with the Grantee's Business/Economic Development Department and all other business assistance agencies and contractor associations to inform them of contracting opportunities and request their assistance in identifying Section 3 business concerns. Could include local community development organizations, business development agencies (Chamber of Commerce), and minority contracting associations.
- 7) Connecting Section 3 business concerns with resources to support business development to assist in obtaining contracting opportunities (e.g., bonding and insurance assistance, etc.). Contractors will also be encouraged to collaborate with the [recipient/grantee] as subcontract opportunities arise in an effort to notify eligible Section 3 business concerns about the contracting opportunities.

Section 3 Contracting Policy and Procedure

The Grantee will incorporate Section 3 in its existing Procurement Policy and adopt a Section 3 Contracting Policy and Procedure to be included in all procurements generated for use with HUD funding.

This policy and procedure contain requirements for making efforts to award contracts to Section 3 Business Concerns

All contractors/businesses seeking Section 3 preference must, before submitting bids/proposals to the Grantee be required to complete certifications, as appropriate. Such certifications shall be

adequately supported with appropriate documentation as referenced in this Manual's Appendices.

Section 3 Provisions/Contract Language

Grantees will include the Section 3 Clause in all of its contracts to ensure compliance with regulations in 24 CFR Part 75. Grantee's will take appropriate actions upon finding that a contractor is in violation of 24 CFR Part 75 and does not knowingly contract with any contractor that has been found in violation of the Section 3 regulations. On a periodic basis the Section 3 Coordinator will audit Grantee's contractors for compliance with the minimum Section 3 requirements outlined in the Section 3 Plan.

In addition, contractors and subrecipients are required to include language in all Section 3 covered contracts or agreements for subcontractors to meet the requirements of 24 CFR Part 75.19.

For businesses, 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.

Reporting Requirements

- Section 3 Business Concern Certification (SFN 62111)
- Section 3 Worker Self-Certification (SFN 62110)
- Section 3 Acknowledgment (SFN 62112)
- Section 3 Work Hours and Outreach Efforts (SFN 62109)

Internal Section 3 Complaint Procedure

In an effort to resolve complaints generated due to non-compliance through an internal process, the Grantee encourages submittal of such complaints to its Section 3 Coordinator as follows:

- 1) Complaints of non-compliance should be filed in writing and must contain the name of the complainant and brief description of the alleged violation of 24 CFR Part 75.
- 2) Complaints must be filed within 45 calendar days after the complainant becomes aware of the alleged violation.
- 3) An investigation will be conducted if complaint is found to be valid. The North Dakota Department of Commerce will conduct an informal, but thorough investigation affording all interested parties, if any, an opportunity to submit testimony and/or evidence pertinent to the complaint.
- 4) The North Dakota Department of Commerce will provide written documentation detailing the findings of the investigation. The Grantee will review the findings for accuracy and completeness before it is released to complainants. The findings will be made available no later than 90 days after the filing of complaint. If complainants wish to have their concerns considered outside of the North Dakota Department of Commerce a complaint may be filed with:

The HUD program office responsible for the public housing financial assistance or the Section 3 project, or to the local HUD field office. These offices can be found through the HUD website, www.hud.gov/.

Complainants may be eligible to bring complaints under other federal laws. The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information (medical history or predisposition to disease). For more information about complainant rights, please contact EEOC at: www.EEOC.gov.

The Department of Labor Office of Federal Contract Compliance Programs (OFCCP) enforces, for the benefit of job seekers and wage earners, the contractual promise of affirmative action and equal employment opportunity required of those who do business with the Federal government. More information about the services they provide can be obtained at: <http://www.dol.gov/ofccp/>.

SECTION 3 ACKNOWLEDGMENT
 NORTH DAKOTA DEPARTMENT OF COMMERCE
 DIVISION OF COMMUNITY SERVICES
 SFN 62112 (1/2022)

Section 3 is a provision of the Housing and Urban Development Act of 1968 that promotes local economic development and individual self-sufficiency for projects funded by the U.S. Department of Housing and Urban Development (HUD).

Section 3 requires that, to the greatest extent possible, economic opportunities that are generated by the use of federal funds be made available to very-low or low-income persons, particularly those who receive federal financial assistance for housing and those residing in communities where the financial assistance is expended. Section 3 established benchmark goals of 25 percent of total labor hours worked by Section 3 Workers, and 5 percent of total labor hours worked by Targeted Section 3 Workers, as those terms are defined in North Dakota Department of Commerce Section 3 Compliance Manual, Notice: CPD-21-09, and Section 3 Final Rule 24 CFR part 75.

Person Completing the Form (Grant Administrator)	Recipient/Contractor(s)
Name of HUD-funded Project and Instrument #	City Project is Located

Therefore, I, the person named above, on behalf of Recipient/Contractor(s) hereby certify that upon being awarded a contract to participate in the HUD-funded project named above, the Recipient/Contractor(s):

1. Has received, read, and understands the Manual and all of its Attachments.
2. Has read the Section 3 regulations at 24 CFR Part 75.
3. Is under no contractual or other impediment that would prevent it from complying with the Section 3 requirements.
4. Will comply with HUD's Section 3 regulations at 24 CFR Part 75.
5. Will comply with all policies and procedures outlined in the Manual.
6. Will ensure that the ND Department of Commerce promptly receives all required Section 3 documentation identified in the Manual.
7. Will include the Section 3 Clause in every contract related to this Project.
8. Will not contract with any entity that has been found in violation of any provision of 24 CFR Part 75 or has not registered with the System for Award Management at SAM.gov.
9. Will provide a copy of the Manual to all entities with which Recipient/Contractor(s) contracts to work on the Project.
10. Understands that draw requests will be delayed until all Section 3 requirements are met.

Print Name	Signature	Date
Title Grant Administrator	Company	

SECTION 3 BUSINESS CONCERN CERTIFICATION

NORTH DAKOTA DEPARTMENT OF COMMERCE
 DIVISION OF COMMUNITY SERVICES
 SFN 62111 (11/2021)

BUSINESS INFORMATION

Name of Business		SAM Registration DUNS Number	
Address	City	State	ZIP Code
Contact Name	Telephone Number	Email Address	

Please check all that apply:

<input type="checkbox"/> This business is at least 51 percent owned and controlled by low- or very low- income persons, defined as those with household income at or below 50 percent of the HUD-defined area median income. This business meets the definition of a Section 3 Business Concern.
<input type="checkbox"/> More than 75 percent of the labor hours performed for the business over the previous 3-month period are performed by Section 3 Workers. This business meets the definition of a Section 3 Business Concern.
<input type="checkbox"/> This business is at least 51 percent owned and controlled by current residents of public housing or Section 8-assisted housing. This business meets the definition of a Section 3 Business Concern.
<input type="checkbox"/> None of the above. This business does not meet the definition of a Section 3 Business Concern.

North Dakota Department of Commerce encourages Section 3 Business Concerns to register on the National Section 3 Business Registry at www.hud.gov/sec3biz.

Organization Name	
Representative Name	Title
Signature	Date

SECTION 3 WORKER SELF-CERTIFICATION

NORTH DAKOTA DEPARTMENT OF COMMERCE
 DIVISION OF COMMUNITY SERVICES
 SFN 62110 (11/2021)

EMPLOYEE INFORMATION

Name		Date Hired (mm/yyyy)	
Permanent Address	City	State	ZIP Code

Check all that apply:

<input type="checkbox"/> My income, annualized for the current calendar year or for the previous calendar year, is/was below the published HUD-defined area median income (see income chart) <input type="checkbox"/> I was hired within the last five years, when hired my income was below the HUD-defined area median income. (see attached income chart) I meet the definition of a Section 3 Worker.
<input type="checkbox"/> I live within the Neighborhood Service Area* of the project. I meet the definition of a Section 3 Worker and a Targeted Section 3 Worker.
<input type="checkbox"/> I am employed by a Section 3 Business Concern. (Confirm with your Employer) I meet the definitions of a Section 3 Worker and a Targeted Section 3 Worker.
<input type="checkbox"/> I am a YouthBuild participant, either currently or when I was hired in the last five years. I meet the definitions of a Section 3 Worker and a Targeted Section 3 Worker.
<input type="checkbox"/> None of the above. I do not meet the definition of a Section 3 Worker or of a Targeted Section 3 Worker.

*Neighborhood Service Area: An area within one mile of the Section 3 Project or, if fewer than 5,000 people live within one mile, within a circle centered on the Section 3 Project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

I certify that the statement(s) above are true and correct.

Signature	Date
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INCOME CHART

Income Chart must be completed by the Grant Administrator and verified by North Dakota Department of Commerce. For the most recent income limits:

See HUD's Income Limit Dataset: <https://www.huduser.gov/portal/datasets/il.html>

OR

North Dakota Department of Commerce, CDBG website:
<https://www.communityservices.nd.gov/communitydevelopment/Programs/CommunityDevelopmentBlockGrant/>

Employers must retain this Form in their Section 3 Compliance File for 5 Years

The worker's income must be at or below the amount provided below for an individual (household of 1) regardless of actual household size.

Individual Income Limits

FY ____ Income Limit Area	Income Limits Category	FY_____ Income Limits
County Name:	Very-Low Income Limits (30%)	\$
	Low Income Limits (50%)	\$

SECTION 3 CLAUSE

06/21

All Section 3 covered contracts must 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 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are beneficiaries of HUD housing assistance or who reside in the communities where the HUD funding is expended.
- B. 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.
- C. 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 or 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.
- D. 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.

SECTION 3 WORK HOURS AND OUTREACH EFFORTS FOR EACH FINANCIAL DRAW

NORTH DAKOTA DEPARTMENT OF COMMERCE
 DIVISION OF COMMUNITY SERVICES
 SFN 62109 (11/2021)

Contractor Name		Time Period Covered (mm/dd/yyyy) to	
Name of Project		Location of Project (City/County)	
Person Completing Form	Telephone Number	Email Address	

PART I: TIME LOG (*Attach additional sheets if necessary.*)

Attach Section 3 Worker Self Certification form for each employee listed below who has not already completed a Section 3 Worker Self Certification form.

Employee Name	Number of Hours Worked on the Project Since Last Report	Is the employee a Section 3 Worker?	Is the employee a Targeted Section 3 Worker?
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Total Hours this Period	Total Sec 3 Worker Hours	Total Targeted Sec 3 Worker Hrs.

SECTION 3 WORKER BENCHMARK CALCULATION

1: Total Number of Hours Worked on the Project by this Company this Period	
2: Total Number of Hours Worked by Section 3 Workers this Period	
Percent of Hours Worked by Section 3 Workers (Line 2 Divided by Line 1)	

TARGETED SECTION 3 WORKER BENCHMARK CALCULATION

A: Total Number of Hours Worked on the Project by this Company this Period	
B: Total Number of Hours Worked by Section 3 and Targeted Section 3 Workers this Period	
Percent of Hours Worked by Section 3 and Targeted Section 3 Workers (Line B Divided by Line A)	

PART II: OUTREACH EFFORTS

Indicate the efforts made, **since the last report**, to direct employment and other economic opportunities toward low-income persons, particularly those who reside near the project or are recipients of government assistance for housing. Please provide detailed explanations for each effort selected. Proof of these efforts must be submitted as part of the required documentation. (Check all that apply.)

<input type="checkbox"/> No efforts made since last report. Explain:
<input type="checkbox"/> Posted job on HUD's Section 3 Opportunity Portal (https://hudapps.hud.gov/OpportunityPortal/). Explain:
<input type="checkbox"/> Searched for potential job applicants and subcontractors on HUD's Opportunity Portal (https://hudapps.hud.gov/OpportunityPortal/). Explain:
<input type="checkbox"/> Informed Job Service North Dakota of job opportunities. Explain:
<input type="checkbox"/> Advertised employment or contracting opportunities in local media. Explain:
<input type="checkbox"/> Searched for potential subcontractors on HUD's Section 3 Business Registry (http://www.hud.gov/Sec3Biz). Explain:
<input type="checkbox"/> Participated in a job fair. Explain:
<input type="checkbox"/> Conducted on-the-job training (including apprenticeships). Explain:
<input type="checkbox"/> Assisted indirect training through our support of off-site training opportunities. Explain:
<input type="checkbox"/> Targeted advertising for training and employment specifically to residents of public housing. Explain:
<input type="checkbox"/> Connected Section 3 Workers with supportive services such as education or financial literacy. Explain:
<input type="checkbox"/> Provided technical assistance to Section 3 Workers for job readiness. Examples include resume assistance, coaching, interview clothing, test fees, transportation, assistance with college or vocational education, assistance in securing childcare. Explain:
<input type="checkbox"/> Provided technical assistance to Section 3 Business Concerns. Examples include providing bonding assistance, guaranties, or other efforts to help Section 3 Business Concerns provide viable bids. Explain:
<input type="checkbox"/> Maintained a file of eligible qualified Section 3 Workers for future employment positions. Explain:
<input type="checkbox"/> Targeted advertising for training and employment to the Neighborhood Service Area (usually defined as within one-mile) of the project. Explain:
<input type="checkbox"/> Consulted with agencies administering YouthBuild and other federally funded training programs. Explain:
<input type="checkbox"/> Consulted with probation and parole agencies, unemployment compensation programs, and community organizations which serve Section 3 Workers. Explain:
<input type="checkbox"/> Employed a job coordinator or contracted with a business that is licensed in the field of job placement, that will undertake on our behalf the efforts to match eligible and qualified Section 3 Workers with training and employment positions. Explain:

Other efforts made.

Explain:

The undersigned, being duly authorized on behalf of the above-named company, hereby declares and affirms that the information contained herein is, to the best of his/her knowledge and belief, in all things complete, true, and correct. Misrepresentation of any kind will be grounds for appropriate sanctions under 24 CFR Part 75.

Representative Name	Title
Signature	Date

DEFINITIONS OF TERMS ON THIS FORM FROM FEDERAL REGULATION (24 CFR Part 75)

Section 3 Worker means (24 CFR 75.5):

Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- (i) Is a low- or very low-income worker that fell below HUD income limits for the previous or annualized calendar year.
- (ii) The worker is employed by a Section 3 Business Concern (defined below).
- (iii) The worker is a YouthBuild participant.

Targeted Section 3 Worker means (24 CFR 75.21):

A Targeted Section 3 Worker is a Section 3 worker who is:

- (1) A worker employed by a Section 3 business concern; or
- (2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - (i) Living within the service area or the neighborhood of the project, as defined in 24 CFR 75.5; or
 - (ii) A YouthBuild participant.

Section 3 Business Concern means (24 CFR 75.5):

A Section 3 business concern is defined in 24 CFR 75.5 as a business that meets at least one of the following criteria, documented within the last six-month period:

- 1. At least 51 percent owned and controlled by low- or very low-income persons,
- 2. More than 75 percent of the labor hours performed for the business over the previous 3-month period are performed by Section 3 workers, or
- 3. At least 51 percent owned and controlled by current residents of public housing or Section 8-assisted housing.

Neighborhood Service Area means (24 CFR 75.5):

An area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

SECTION 3 COMPLIANCE QUICK REFERENCE

(06/21)

What are the Grant Administrator, Contractor and Subcontractors' Responsibilities?

	Construction Start	Each Draw
Grant Administrator	<ul style="list-style-type: none"> Section 3 Acknowledgement form Section 3 Business Concern Certification form 	<p>The Grant Administrator should coordinate the collection of the items listed below, ensure they are complete, and compile and submit them to North Dakota Department of Commerce.</p>
General Contractor	<ul style="list-style-type: none"> Section 3 Acknowledgement form Section 3 Business Concern Certification form Schedule of Contracts; total must match the General Contract total. Contract with Section 3 clause. 	<p>If paid by the current draw request, regardless of source of funds:</p> <ul style="list-style-type: none"> Section 3 Work Hours and Outreach Efforts for Each Financial Draw form for the period since the last Section 3 Work Hours and Outreach Efforts for Each Financial Draw form submission. Section 3 Worker Self Certification form for each employee listed on the Section 3 Work Hours and Outreach Efforts for Each Financial Draw form that has not already submitted a Section 3 Worker Self Certification form.
Subcontractors	<ul style="list-style-type: none"> Section 3 Acknowledgement form Section 3 Business Concern Certification form. Schedule of Contracts (if applicable). Total must match. Contract with Section 3 clause. 	<p>If paid by the current draw request, regardless of source of funds:</p> <ul style="list-style-type: none"> Section 3 Work Hours and Outreach Efforts for Each Financial Draw form for the period since the last Section 3 Work Hours and Outreach Efforts for Each Financial Draw form submission. Section 3 Worker Self Certification form for each employee listed on the Section 3 Work Hours and Outreach Efforts for Each Financial Draw form that has not already submitted a Section 3 Worker Self Certification form.

*Proof of all efforts to identify and provide training and employment opportunities to Section 3 Workers and Section 3 Business Concerns should be sent to North Dakota Department of Commerce as soon as it is available. Examples include but are not limited to: advertisements in media, flyers, signs, contact with employment agencies, housing authorities or local community development agencies.