

**SECTION 3 PLAN
(OWNER/DEVELOPER
AND
GENERAL CONTRACTOR)**

For _____
(Name of Development)

Submitted by:

Name of Owner/Developer:

Address:

Contact Information:

Name of General Contractor:

Address:

Contact Information:

General Statement

_____, as the owner, and _____, as the general contractor are committed to comply with the Section 3 act, the Section 3 regulations, and the Missouri Housing Development Commission (“MHDC”) Section 3 Guidelines. It is our desire to work together to ensure compliance, to the greatest extent feasible, through the awarding of contracts for work and services to Section 3 companies, and to provide employment and training to Section 3 residents. We commit to include the Section 3 clause in the construction contract and all subcontracts. All subcontractors interested in submitting bids for contracts will be informed of the Section 3 requirements and goals. We agree to provide MHDC with copies of all bids received in response to the invitation to bid and copies of all contracts.

Benchmarks

Contracting:

To demonstrate compliance with Section 3 regulations, it is desirous to employ Section 3 and Targeted Section 3 workers at the following percentages of total labor hours.

- 25% of total labor hours performed by Section 3 Workers
- 5% of total labor hours performed by Targeted Section 3 Workers

These benchmarks are affirmed: Initials: _____

If the above listed benchmarks are not met, the Qualitative Efforts made in order to reach the above listed benchmarks will be documented and reported.

These Qualitative Efforts are affirmed: Initials: _____

If we do not feel it is feasible to meet the minimum benchmarks set forth above, we will be prepared to demonstrate why it was not possible. We understand failure to follow our Section 3 Plan could result in the Secretary of Housing and Urban Development (“HUD”) finding us non-compliant with the Section 3 regulations.

Employment and Training:

To demonstrate compliance with Section 3 regulations, it is desirous to employ Section 3 workers at 25% or more of the total number of labor hours worked by all workers on a Section 3 development, and employ Targeted Section 3 workers at 5% or more of the total number of labor hours worked by all workers on a Section 3 development. We agree to provide information regarding all labor hours as a part of this plan.

To the greatest extent feasible recipients of housing and community development financial assistance shall ensure that employment and training opportunities arising in connection with Section 3 projects are provided to Section 3 workers within the metropolitan area (or non-metropolitan county) in which the project is located in the following order of priority:

1. Section 3 workers residing within the service area or the neighborhood of the project, and
2. Participants in YouthBuild Programs.

All benchmarks established in this plan must be met. If we fail to do so, we agree to provide an explanation with supporting documentation as to why the goal was not met.

Outreach

We are committed to conduct an aggressive outreach campaign to make Section 3 Businesses and Section 3 Residents aware of contracting and possible hiring opportunities in connection with this Section 3 Covered Development. Efforts will include, but not be limited to, publication of opportunities in the local newspapers, use of signage at the development site, flyers posted in the neighborhood and surrounding areas, notification of local housing authorities, contractor and trade organizations, employment agencies, career centers and local YouthBuild chapters.

Development Neighborhood Area

The development neighborhood area is: _____

This area will be the primary focus of all outreach attempts.

Section 3 Coordinator

Name:

Contact Information:

This person will serve as the main point of contact for all Section 3 related issues on behalf of the owner, general contractor, and the subcontractor.

Reporting

We agree to submit a Master Subcontractor List MHDC Form 2502 on the 20th day of each month after construction of the Section 3 Covered Development has commenced. We agree to submit a final report to MHDC on Section 3 Reporting Summary quarterly and at completion of construction of the Section 3 Covered Development. We agree to immediately report any changes in this plan, including but not limited to, changes in the dollar amount of contracts awarded and staffing needs of the subcontractors.

Attachments

The following attachments are incorporated into and made a part of this Section 3 Plan:

- _____ Section 3 Clause that will be included in all contracts
- _____ Contracting Plan Worksheet
- _____ Outreach to Solicit Bids from Section 3 Businesses
- _____ Section 3 Business Concerns Self-Certification
- _____ Section 3 Worker List (Contractor)
- _____ For each worker listed either:
 - Employer Certification; or
 - Section 3 Worker Self Certification

We agree to provide to MHDC the following documentation as soon as the information is available to us:

- Outreach to Solicit Bids from Section 3 Businesses (updated)
- Section 3 MHDC Reporting Summary
- Number of Labor Hours worked for General Contractor
- Section 3 Labor Hours worked for General Contractor
- Targeted Section 3 Labor Hours worked for General Contractor

Submitted to Missouri Housing Development Commission

Under penalty of perjury, I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true accurate, and complete. I understand the information I provide in this certification is subject to verification, and I agree to provide additional necessary documentation if requested. I understand that any misrepresentation, false information, or omission may result in disqualification of this application, sanctions, or other penalty.

Electronic Submission Agreement and Disclosure. Once signed, a scanned version of this document may be submitted electronically to MHDC via email. If submitted electronically, the undersigned agrees that the signature is to be treated as an original signature and the document (in the form of a photocopy, PDF, or other electronic form) is to be treated as an original signed hard copy of the document as it deems necessary. The undersigned is responsible for retaining an original signed hard copy in his/her files.

OWNER/DEVELOPER:

Signature

Date

Printed Name

Title

GENERAL CONTRACTOR

Signature

Date

Printed Name

Title

SECTION 3 CLAUSE

All Section 3 covered contracts shall include the following clause (referred to as the “Section 3 Clause”):

(1) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted Developments covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly person who are recipients of HUD assistance for housing.

(2) The parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 135, which implement Section 3 and which are now codified in 24 CFR Part 75, the Section 3 Final Rule (effective November 30, 2020, and replacing the prior Section 3 regulations). 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 part 75 regulations.

(3) 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.

(4) The contractor agrees to include this Section 3 clause in every subcontract to compliance with regulation 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.

(5) 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.

(6) 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 Business Concern Certification

Instructions: Enter the following information and select the criteria that applies to certify your business' Section 3 Business Concern status.

Business Information

Name of Business _____

Address of Business _____

Owner Name _____

Phone _____ Email _____

Preferred Contact Information

Name of Preferred Contact _____

Title _____ Phone _____

Type of Business (select from the following options):

- Corporation Partnership Sole Proprietorship Joint Venture

Select from *ONE* of the following three options below that applies:

- At least 51 percent of the business is owned and controlled by low- or very low-income persons. (Income Limits found at <https://www.huduser.gov/portal/datasets/il.html>)
- 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. (Attach Self-Certification for Worker and HUD-4736)
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers. (Attach Self-Certification for Worker)

Business Concern Affirmation

I affirm that the above statements are true, complete, and correct to the best of my knowledge and belief. I understand that businesses who misrepresent themselves as Section 3 business concerns and report false information to MHDC may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities. I hereby certify, under penalty of law, that the following information is correct to the best of my knowledge.

Signature

Date

Printed Name

Title

Certification expires within six months of the date of signature
Information regarding Section 3 Business Concerns can be found at 24 CFR 75.5

FOR MHDC USE ONLY

Is the business a Section 3 Business Concern based upon their certification?

Yes No

EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE FOR 5 YEARS.

**Outreach to Solicit Bids from Section 3 Businesses
(Owner/Developer)**

Development Name	
Development Number	
Business Name	
	<input type="checkbox"/> Owner <input type="checkbox"/> Developer
Date Submitted	

In the space below indicate the efforts that will be made to notify Section 3 business concerns of contracting opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible (use additional pages if necessary). All efforts must be documented. After the contracts are awarded, attach copies of all publications, notices, pictures of posted notices, and other outreach material utilized, along with a list of all Section 3 business concerns that responded to your outreach efforts.

Signature

Date

Printed Name

**Outreach to Solicit Bids from Section 3 Businesses
(Contractor)**

Development Name	
Development Number	
Contractor Name	
	<input type="checkbox"/> General Contractor <input type="checkbox"/> Subcontractor
Date Submitted	

In the space below indicate the efforts that will be made to notify Section 3 business concerns of contracting opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible (use additional pages if necessary). All efforts must be documented. After the contracts are awarded, attach copies of all publications, notices, pictures of posted notices, and other outreach material utilized, along with a list of all Section 3 business concerns that responded to your outreach efforts.

Signature

Date

Printed Name

Section 3 Worker List

Development Name	
Development Number	
Contractor Name	
	<input type="checkbox"/> General Contractor <input type="checkbox"/> Subcontractor
Date Submitted	

Directions: List the employees whose annual income is below the HUD Income Limits.

See <https://www.huduser.gov/portal/datasets/il.html> for income limits.

For each Worker Listed include either the Section 3 Worker Self Certification, or the Employer Certification.

Name of Employee
1.
2.
3.
4.
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6.
7.
8.
9.
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11.
12.
13.
14.
15.
16.
17.
18.
19.
20.

Signature

Date

Printed Name

Section 3 Worker Employer Certification

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 employer certification requirements listed in 24 CFR § 75.31. To qualify as a Section 3 worker, the United States legal resident's annual income must not exceed the HUD income limits for the year before the worker was hired, or the individual's current income annualized on a full-time basis for the year must be below the HUD income limit. Additionally, an individual can qualify as a Section 3 worker and Targeted Section 3 worker, if an employee of a Section 3 Business Concern. To qualify as a Targeted Section 3 worker, an employer can confirm that the employee lives within the service area or neighborhood of the project.

Employer information:

Name of Business: _____

Street Address City State Zip

Phone: () - Email: _____

Worker information:

Name of Worker: _____

Street Address (Not a PO Box) Apt. City State Zip

Phone: () - Email: _____

Select the statement or statements below that apply for the worker listed above.

___ Worker income from your employment is below the income limit based on a calculation of what the worker's wage rate would be if annualized on a full-time basis. Currently or at the time of hire if hired within the past 5 years.

Year Certified _____

Employee Annualized Income _____

County _____

Income Limit _____

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

___ Worker is employed by a Section 3 Business Concern (Select if your business qualifies as a Section 3 Business Concern).

___ Worker's residents is within the service area or neighborhood of the project.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct and certifies that the worker identified above meets the definition of a Section 3 worker. **WARNING:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802)

Signature

Date

Printed Name

Title

Section 3 Worker Certification

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 employer certification requirements listed in 24 CFR § 75.31. To qualify as a Section 3 worker, the United States legal resident’s annual income must not exceed the HUD income limits for the year before the worker was hired, or the individual’s current income annualized on a full-time basis for the year must be below the HUD income limit. Additionally, an individual can qualify as a Section 3 worker if they are a YouthBuild participant or employee of a Section 3 Business concern.

Printed Name: _____

Street Address (*Not a PO Box*) Apt. City State Zip

Phone: (____) ____ - _____ Email: _____

To qualify as a Section 3 Worker, you must meet one of the following requirements or have your employer certify that you are employed by a Section 3 Business concern:

___ Employment income is below the income limit. Currently or at the time of hire if hired within the past 5 years. <https://www.huduser.gov/portal/datasets/il.html>

Year Certified	_____
Annualized Income	_____
County	_____
Income Limit	_____

___ A participant in a means-tested program such as a public housing or Section 8-assisted housing. *If applicable, HUD-4736 is required.*

___ A YouthBuild Participant.

I meet at least one of the requirements listed above and therefore qualify to be counted as a Section 3 Worker under 24 CFR § 75.

If applicable, please indicate which requirement you meet to be considered a Targeted Section 3 worker below. If you select “Living within the service area or neighborhood of the project,” that selection will have to be confirmed by your employer. If you do not meet any of these requirements or do not know if you meet any of the requirements listed below, you may leave this section blank.

___ Living within the service area or neighborhood of the project (requires employer confirmation)*

___ YouthBuild Participant*

*Currently or at the time of hire if hired within the past 5 years.

In addition to qualifying as a Section 3 Worker, I meet at least one of the requirements listed above and therefore qualify to be counted as a Targeted Section 3 Worker under 24 CFR § 75.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct and certifies that the worker identified above meets the definition of a Section 3 worker. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. ((18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802)

Signature

Date

Printed Name

If you or someone you know served in the U.S. Armed Forces, we encourage you to visit <http://veteranbenefits.mo.gov> or call (573) 751-3779 to learn about available resources.

Section 3 Public Housing/Section 8 Certification Form

**U.S. Department of Housing and Urban Development
Office of Field Policy and Management**

HUD FORM 4736
OMB Approval Number 2501-0041
(Exp. 03/31/2028)

(In compliance with Section 3 of the HUD Act of 1968 and 24 CFR Part 75)

Public reporting for this collection of information is estimated to average 0.5 hours 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.

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (Section 3), and 12 U.S.C. § 1701u ensure that employment and other economic opportunities generated by Federal financial assistance for housing and community development programs are, to the greatest extent feasible, directed toward low- and very low-income persons, particularly those who receive government assistance for housing. The regulations are found at 24 CFR Part 75. This collection of information is required in order to ensure that a worker can be certified as an eligible Section 3 worker as outlined in 24 C.F.R. § 75.31. The information will be used by the Department to ensure compliance with Section 3 of the HUD Act of 1968 employer certification requirements listed in 24 CFR § 75.31, 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 to ensure they are complying with their recordkeeping requirements found in the regulation, and as a self-monitoring tool.

Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to Anna P. Guido, Reports Management Officer, Office of the Chief Data Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 82104176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2501-0041. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number. No assurances of confidentiality are provided for this information collection.

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 certification requirements listed in 24 CFR § 75.31. This form should be completed by either a representative of a Public Housing Authority, the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing.

Please provide the worker's information below:

Printed Name of Worker: _____

Street Address (Not a PO Box) Apt# City State Zip

Phone #: _____ Email: _____

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, correct, and accurate information and certifies that the worker identified above is a participant in a PHA or Section 8 assisted housing program. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

Housing Representative Signature

Date