

## BIDDER

### SECTION 3 INTENT TO COMPLY

Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 is to 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.

**Note:** If your business meets the definition of a Section 3 business, you may register as a Section 3 Business through HUD's website here:

<https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>

If award is received, \_\_\_\_\_ (name of contractor) \_\_\_\_\_ agrees to implement the following specific affirmative action steps directed at increasing the utilization of lower income residents and businesses within the City/County of \_\_\_\_\_.

1. To attempt to recruit from within the city the necessary number of lower income residents through HUD's Section 3 Opportunity Portal, local advertising media, signs placed at the proposed site for the project, and community organizations, and public or private job development institutions operating within or serving the project area to meet Section 3 goals.

For housing and community development financial assistance projects, the benchmark for Section 3 workers is set at *25 percent* or more of the total number of labor hours worked by all workers on a Section 3 project. The benchmark for Targeted Section 3 workers is set at *5 percent* or more of the total number of labor hours worked by all workers on a Section 3 project. This means that the *5 percent* is included as part of the *25 percent* threshold.

2. To document the amount of labor hours worked by Section 3 workers and Target Section 3 workers on this project and report these hours directly to your CDBG, Mitigation or DR program representative.
3. If benchmarks for Section 3 workers and Target Section Workers are not met, an adequate amount of qualitative methods must be documented to show compliance with the Section 3 rule. A list of approved qualitative methods can be found on the FAQ attachment. These qualitative methods must be reported directly to your CDBG, Mitigation or DR program representative.
4. To maintain a list of all lower income area 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.
5. To ensure that all appropriate project area business concerns are notified of pending sub contractual opportunities.

6. To maintain records, including copies of correspondence, memoranda, payrolls etc., which document that all of the above affirmative action steps have been taken.
7. 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.

I understand that this contracting opportunity is subject to HUD Section 3 requirements (24 CFR Part 135). I have read and understand the Section 3 requirements as generally described above and presented in the Section 3 contract language included in the procurement documents for this project. If awarded a contract, the business commits to following Section 3 requirements, as they apply to this project. If awarded a contract for this project, the business agrees to provide reports to (insert City/County) on Section 3 efforts and accomplishments.

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Name of Contractor/Subcontractor	Address
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Print Name	Title
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Signature	Date
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As officers and representatives of \_\_\_\_\_,  
(Name of Bidder)