

**I. SECTION 3 DEFINITIONS:**

**A. Section 3 Resident:**

A public housing resident **or** a low- or very low-income person who resides in the Beaufort County Area in which Section 3 covered assistance is expended.

**B. Section 3 Business Concern:**

A business concern that is:

1. Fifty one percent (51%) or more owned by Section 3 residents; **or**
2. Whose permanent, full-time employees include persons, at least thirty percent (30%) of whom are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment with the business concern; **or**
3. That provides evidence of a commitment to subcontract in excess of twenty five percent (25%) of the total bid/proposal price awarded to business concerns that meet the qualifications set forth in paragraphs 1 or 2 in this definition of a Section 3 business concern.

**C. Section 3 Covered Assistance:**

1. Public and Indian housing development assistance provided pursuant to Section 5 of the 1937 Act;
2. Public and Indian housing operating assistance provided pursuant to Section 9 of the 1937 Act;
3. Public and Indian housing modernization assistance provided pursuant to Section 14 of the 1937 Act;
4. Assistance provided under any HUD housing or community development program. Assistance expended for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement), housing construction or other public construction projects.

**D. Section 3 Covered Contract**

A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project. “Section 3 covered contracts” do not include contracts awarded under HUD’s procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR Chapter 1). “Section 3 covered contracts” also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a Section 3 covered contract because the contract is for work (i.e. the installation of the furnace) and is thereby covered by Section 3.

**II. ORDER OF PROVIDING PREFERENCES**

**A. Section 3 Residents**

Efforts shall be directed to providing training and employment opportunities to Section 3 residents in the following order of priority:

1. Residents of the Beaufort Housing Authority development or developments for which the Section 3 covered assistance is expended (category 1 residents).
2. Residents of other Beaufort Housing Authority developments managed by the Beaufort Housing Authority (category 2 residents).
4. Other Section 3 residents of Beaufort County (category 4 residents).

A Section 3 resident seeking employment provided by this part shall certify, in a form suitable to the Beaufort Housing Authority, that they are a Section 3 resident as defined in paragraph I. section A. of this document.

**B. Section 3 Business Concerns**

Efforts shall be directed to award contracts to Section 3 business concerns in the following order of priority.

1. Business concerns that are fifty one percent (51%) or more owned by residents of the Beaufort Housing Authority developments for which the Section 3 covered assistance is expended, or whose full-time, permanent work force includes thirty percent (30%) of these persons as employees (category 1 business);
2. Business concerns that are fifty one percent (51%) or more owned by residents of other Beaufort Housing Authority developments where Section 3 covered assistance is expended, or whose full-time, permanent work force includes thirty percent (30%) of these persons as employees (category 2 business);
3. Business concerns that are fifty one percent (51%) or more owned by Section 3 residents or whose permanent, full-time work force includes no less than thirty percent (30%) Section 3 residents, or that subcontract in excess of twenty five percent (25%) of the total amount of subcontracts to business concerns identified in paragraphs (1) and (2) of this section. (category 4 business).

A business concern seeking to qualify for a Section 3 contracting preference shall certify, in a form suitable to Beaufort Housing Authority, that the business concern is a Section 3 concern as defined in paragraph I. section B. of this document.

**III. SECTION 3 GOALS**

**A. Employment Opportunities**

Thirty percent (30%) of the aggregate number of new hires for the one year period beginning in FY 1997 (October 1, 1996 through September 30, 1997), and **continuing each year thereafter.**

**B. Contracting Goals**

1. At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for building trades work, for maintenance, repair, modernization or development of public housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; **and**

2. At least three percent (3%) of the total dollar amount of all other Section 3 covered contracts.

**C. Good Faith Effort**

Each contractor and subcontractor seeking to establish that a good faith effort, as required by Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, has been made to fill all training positions with lower income area residents; and fill all employment positions identified during this project, and shall attempt to recruit from the appropriate areas, the necessary number of lower income residents through local advertising media, signs placed at the proposed site, and community organizations, and public and private institutions operating within or serving the service area.

**CONTRACTOR’S Section 3 COMPLIANCE CERTIFICATION**

The undersigned makes this certification with full knowledge that its contents will be used in the expenditure of funds provided by the United States Government. Under penalty of perjury I hereby state:

- 1. I am the \_\_\_\_\_ of \_\_\_\_\_,  
(Owner, Partner, Officer, Representative, Agent)

the Bidder that has submitted the attached Bid; **and**

- 2. My company adheres to Section 3 of the Housing and Urban Development (HUD) Act of 1968, as amended, 12 U.S.C. 1701u which requires, to the greatest extent feasible, that a “goodfaith effort” is given to identifying small businesses located within the boundaries of the Section 3 service area, making them aware of contracting opportunities, encouraging their participation and actually awarding contracts to Section 3 business concerns.

- 3. Efforts will be made to undertake outreach activities intended to encourage participation by Section 3 residents in training and employment opportunities, to include but not limited to:

- A. Advertising in local media;
- B. Distributing flyers on training and job opportunities to public housing sites and posting flyers in common areas;
- C. Informing labor organizations and private job training agencies of potential jobs and contract opportunities;
- D. Participation in job information meetings and workshops to help Section 3 residents complete applications and learn interviewing techniques.

Signature of Authorized Certifying Official: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Company Name: \_\_\_\_\_