



# Housing & Redevelopment Authority of Virginia, Minnesota

## Section 3 Contractor Compliance Plan

This form is used for Section 3 contractor compliance reporting.

This Compliance Plan is to be completed by the general contractor as a part of the bid process. The general contractor is required to complete a Section 3 Compliance Plan for any prime contract that is for a project at public housing properties. The general contractor is responsible for obtaining information for this Section 3 Compliance Plan from all subcontractors.

Project Name:	Date:
Company Name:	Contact #:
Phone Number:	Email:

### Purpose

Section 3 is a clause in the Housing and Urban Development Act of 1968. Its intent is to provide job training and employment opportunities from programs that receive HUD funding to local low-income residents and the businesses they own or that employ them.

### Goal

For projects subject to Section 3, at least 25% of total labor hours will be worked by Section 3 Workers, and at least 5% of total labor hours will be worked by Targeted Section 3 Workers. The contractor must provide documentation of how new employment and subcontracting opportunities have been directed *to the greatest extent feasible* to Section 3 residents and business concerns to try to achieve these goals. This documentation must include efforts made by subcontractors to direct hiring opportunities to Section 3 residents. For financial assistance that is not subject to Section 3, subrecipients are encouraged to consider ways to support the purpose of Section 3.

### Contractor Responsibilities

- The subrecipient and/or general contractor is to ensure their subcontractors follow their Section 3 responsibilities.
  - Section 3 outreach and contract requirements are necessary for all general contracts and subcontracts under the general contract.
  - Section 3 reporting submitted by the subrecipient must ensure each subcontractor understands the Section 3 requirements and goals. The subrecipient and/or general contractor must document its own efforts and each subcontractor's efforts to comply with these requirements.
- For Section 3 covered contracts, document the outreach efforts to recruit potential Section 3 residents for employment opportunities through methods such as: local Workforce Center website posting, local advertising, notices to professional associations and trade networks, signs placed at job site and local community organizations, and use of local Section 3 Certified Business Concerns lists. Maintain documentation on the number of Section 3 residents that apply for new employment opportunities and the number of Section 3 businesses that bid on contracting opportunities.
- Complete and return this Form 1012 Contractor Compliance Plan for all contracts with information on:
  - Estimated hours, contracting, hiring, training activities
  - Strategies you will implement



**Labor Hours**

- Any *new employment opportunity* that results from a Section 3 covered contract must be directed, *to the greatest extent feasible*, to Section 3 residents.
  - A Section 3 resident is defined as
    - 1) a public housing resident; or
    - 2) a resident of OTHER public housing projects managed by the PHA that is providing the assistance, OR – a resident of Section 8-assisted housing managed by the PHA.
  - To be qualified as a Section 3 resident, an applicant may complete the Virginia HRA Self-Certification form.

**Section 3 workers applying for new employment opportunities must still be qualified for the position in order to be hired.**

- Contractors, as mutually agreed upon, will post any new employment opportunities utilizing the Workforce Centers, Union Halls, and other acceptable forms of worker outreach.
- When *considering* employment of a Section 3 resident and more than one qualified Section 3 applicant has applied, use this *order of priority* in considering the qualified applicants:
  - Residents of the public housing project for which the public housing financial assistance is expended.
  - Residents of other public housing projects managed by the PHA that is providing the assistance or residents of Section 8-assisted housing managed by the PHA.
  - Current HUD YouthBuild Participants.
  - Low- and very-low-income persons residing within the metropolitan / non-metropolitan area in which the assistance is expended.
- Properly document hours worked by Targeted and Section 3 Workers for the Section 3 Compliance Plan.

**Estimated Threshold Percentage by Project****Goal Total**

Estimated Total Number of Work Hours: \_\_\_\_\_ x 25% =

\_\_\_\_\_ Section 3 Goal

Estimated Total Number of Work Hours: \_\_\_\_\_ x 5% =

\_\_\_\_\_ Targeted Section 3 Goal

Describe the strategies you will implement, *to the greatest extent feasible*, to hire Section 3 residents:**Contractor Acceptance**

I certify that I understand my responsibility for Section 3 Compliance.

Signature:

Date:

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