



Section 3 Local Jobs Initiative Compliance Certification

❖ *To be completed and returned to NCHFA prior to issuance of the Final Commitment Letter*

This applies to the owner of multi-family rental and the general contractor with contracts over \$100,000 in HUD (HOME) funding.

The undersigned owner of multi-family rental and general contractor are committed to comply with the Section 3 Act, and the Section 3 regulations. NCHFA will work with the owner and general contractor to ensure compliance, to the greatest extent feasible, through the awarding of contracts for work and services to Section 3 businesses, and to provide employment and training to Section 3 residents. Furthermore, the owner and general contractor hereby agree to implement at least the following actions directed at increasing the utilization of lower income residents and Section 3 businesses within the project area.

- The owner must submit to NCHFA at the end of construction the [Section 3 Summary Report](#).

The following four actions do not apply to subcontractors but **do apply** to the owner of Multi-Family Rental (owner) and to the general contractor if the contract > \$100,000:

- A. To submit a [Section 3 Local Jobs Initiative Plan](#) to NCHFA after the general contract has been awarded.
- B. To make a good faith effort to insure that all Section 3 business concerns within the project area are notified of pending subcontractual opportunities over \$100,000.
- C. To maintain records, including copies of correspondence, memoranda, etc., which document all the steps taken to recruit lower income residents and subcontractors from within the Section 3 area.
- D. To maintain and provide the information requested on the [Section 3 Local Jobs Initiative Year-End Monitoring Report](#) related to employment and training records of Section 3 residents, and contracts awarded to Section 3 businesses.

In addition to the award and general contract being greater than \$100,000, if there are subcontracts greater than \$100,000, the general contractor must relay the following information:

- E. To attempt to recruit from within the Section 3 area lower income residents through: local advertising media, signs place at the proposed site for the project, and

communication with local Public Housing Authorities, community organizations and public and private institutions operating within or serving the area.

- F. To maintain a list of all lower income area residents who have made application for employment either on their own or on referral from any source, and to employ such persons, if otherwise eligible and **if a vacancy exists**.
- G. To include this Section 3 Compliance Certification in all bid documents and contracts over \$100,000 in addition to the [Section 3 Clause](#).
- H. To maintain and provide the information requested on the [Section 3 Summary Report](#) related to employment and training records of Section 3 residents, and contracts awarded to Section 3 businesses.
- I. To seek the assistance of NCHFA program staff, where necessary, in implementing the Section 3 Compliance Plan. Subcontractors work with the General Contractor instead of NCHFA regarding questions and reporting.

Goals for Contracting and Employment:

To demonstrate compliance with Section 3 regulations, the following numerical goals apply:

- to award at least **10 percent** of the total dollar amount of construction contracts to Section 3 businesses;
- to award at least **3 percent** of the total dollar amount of non-construction contracts (i.e. professional services) to Section 3 businesses; and
- to direct at least **30 percent** of the newly created employment to Section 3 residents.

If the parties with awards/contracts/subcontracts greater than \$100,000 determine it is not feasible to meet the minimum goals as set forth above, they must be prepared to provide an explanation and documentation as to why the goals were not met.

We the undersigned, have read and fully agree to this Section 3 Compliance Certification, and become party to the full implementation of this program.

Owner:

Signature: _____

Title: _____

Date: _____

General Contractor:

Signature: _____

Title: _____

Date: _____