

Section 3 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 project which receives over \$200,000 in total of applicable HUD funding at the project level. Applicable HUD funding sources are listed below:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- National Housing Trust Fund
- Emergency Solutions Grants (ESG)
- Housing Opportunities for People with Aids (HOPWA)
- Disaster Recovery
- Section 202 or 811
- University Partnership Grants
- Economic Stimulus Funds
- Lead Hazard Control Grants or Health Homes Production Grants (\$100,000 threshold instead of a \$200,000 threshold)

The undersigned owner and general contractor of multi-family rental is 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 employment of Section 3 workers and Targeted Section 3 workers. Furthermore, the owner hereby agrees to implement at least the following actions directed to employing Section 3 workers and Targeted Section 3 workers.

- The owner must submit to NCHFA by January 10th each year the [Section 3 Year-End Monitoring Report](#).
- The owner must submit to NCHFA by the final cost certification the [Section 3 Summary Report](#).

The following four actions apply to the owner of Multi-Family Rental and to the general contractor if the project receives \$200,000 or more in any applicable HUD funds:

- A. To make best efforts to ensure that all Section 3 business concerns, and targeted Section 3 workers within the service area are notified of pending opportunities.
- B. To maintain records, including copies of correspondence, memoranda, etc., which document all the steps taken to employ Section 3 workers and targeted Section 3 workers.
- C. To maintain and provide the information requested on the [Section 3 Summary Report](#) and [Section 3 Year-End Monitoring Report](#) related to employment and training records of Section 3 workers and targeted Section 3 workers, and contracts awarded to Section 3 business concerns.
- D. Ensure all subcontractors are aware of their obligation to meet Section 3 benchmarks laid out in the [NCHFA Section 3 Guidance](#). Subcontractors work with the General Contractor instead of NCHFA regarding questions and reporting.

Section 3 Benchmarks:

- a. At least 25% of the total number of labor hours worked on a Section 3 project must be worked by Section 3 workers.
- b. At least 5% of the total number of labor hours worked on a Section 3 project must be worked by targeted Section 3 Workers.
 - i. This 5% of labor hours worked by targeted Section 3 workers is included as part of the 25% worked by Section 3 workers.

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: _____