

# Appendix R

DCA FHEO Policy





Georgia

## Department of Community Affairs

60 Executive Park South, NE, Atlanta, GA 30329

# **Section 3 Policy for Covered HUD Funded Activities**

This Section 3 policy pertains to training, employment contracting, and other economic opportunities arising in connection with the expenditure of Federal housing assistance and community development assistance that is used in conjunction with the following activities:

- Housing rehabilitation,
- Housing construction, and
- Other public construction.

All Recipients and Sub-recipients of Section 3 Covered Assistance (including but not limited to contractors, sub-contractors, developers, grantees, CHDOs, non-profits, and local government entities) must be in compliance with the provisions of this policy in order to be eligible for DCA awards.

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## **BACKGROUND ON THE SECTION 3 REGULATION:**

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended by Section 915 of the Housing and Community Development Act of 1992 (Section 3), is to “ensure that employment and other economic opportunities generated by certain HUD financial funding shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed toward low and very low-income persons, particularly those who are recipients of government funding for housing and to Business Concerns which provide economic opportunities to low- and very low-income persons.”

Consistent with 24 CFR Part 135, as a recipient of HUD Housing and Community Development Funding, the State of Georgia Department of Community Affairs (DCA) requires fulfillment of Section 3 obligations on all contracts subject to 24 CFR Part 135 that make use of that assistance. These policies are implemented for contract amounts as specified in 24 CFR Part 135 whether it is designated as housing construction, housing rehabilitation, lead based paint abatement, or other public construction project. DCA works to ensure the provision of employment, training, contracting, and other economic opportunities to low-income persons. In doing so, DCA utilizes Section 3 as a means of promoting stability and self-sufficiency of Section 3 Residents. Implementation procedures may be amended periodically by DCA to insure that the policy requirements are being met and/or to enhance the efficiencies of compliance.

### **PART I. APPLICABILITY:**

Section 3 of the Housing and Urban Development Act of 1968 by the Housing and Community Development Act of 1992. Section 3, as amended, requires that economic opportunities generated by Federal Housing and Community Development programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

Section 3 requirements apply to **all** projects and activities funded in whole or in part with covered funds and the **entire** project budget is then subject to Section 3.

### **PART II. DEFINITIONS:**

Please refer to the 24 CFR 135.5 for a full list of prevailing definitions found in the regulation.

**Employment Opportunities Generated by Section 3 Covered Assistance:** All employment opportunities generated by the expenditure of applicable Federal Section 3 covered funding (i.e., Housing and Community Development Funding) and with respect to Section 3 covered

Housing and Community Development Funding, all employment opportunities arising in connection with Section 3 Covered Projects.

Full-Time: For sub-recipients and contractors, this term refers to an employee assigned to a position who regularly works a minimum of forty (40) hours per week on a continuous basis. For DCA, this term refers to an employee who is assigned to an unclassified position who regularly works a minimum of forty (40) hours per week on a continuous basis. Regular full-time employees will be eligible to receive full State-sponsored benefits and accrue any form of service credit.

Housing and Community Development Funding: Resources from the U.S. Department of Housing and Urban Development (HUD) covered by Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) include Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), and Neighborhood Stabilization (NSP) programs, as well as certain grants awarded under HUD Notices of Funding Availability (NOFAs). The requirements for Section 3 only apply to the portion(s) of covered funding used for project/activities involving housing construction, rehabilitation, demolition, and/or other public construction.

Low Income Person: A person whose household (including single persons) has a total income that does not exceed 80% of the median income for the project area.

New Hires: Full-time employees for at-will, permanent, temporary or seasonal employment opportunities for any Section 3 covered contract.

Recipient: An entity which receives Section 3 covered assistance directly from HUD (i.e., DCA) or from any another recipient (e.g., local government, PHA or other public body, public or private non-profit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, Community Housing Development organization, resident management corporation, resident council, or cooperative association). For the purpose of this policy, the phrase, "any other recipient" will carry the same definition as "Sub-recipient".

Resident Owned Business (ROB): A Business Concern owned or controlled by low or very low-income residents who reside within the legal boundaries where the funds are expended. A ROB must meet these requirements: (a) at least 51% owned and operated by Section 3 residents, and (b) whose management and daily business operations are controlled by one or more such individuals. For purposes of Section 3 compliance, a ROB must also meet Subpart A to the definition of a Section 3 Business Concern.

Section 3: Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 Business Concern: As defined by HUD, an entity:

- A. That is Fifty-one (51%) percent or more owned by Section 3 Residents; or
- B. Whose permanent, full-time employees includes persons, at least 30 percent of whom are current Section 3 Residents, or were Section 3 Residents within three (3) years of the date of first employment with the Business; or
- C. That provides evidence of a commitment to subcontract in excess of 25 percent of the total contract award amount (including any modifications) to Section 3 Business Concerns as defined in A or B. Example: If the Contract Amount is = \$1,000,000, the contractor must subcontract in excess of 25%, or greater than \$250,000, to a Section 3 Business Concern (s) as defined in A or B in this part.

Section 3 Clause: The contract provisions and sanctions set forth in 24 CFR 135.38

Section 3 Covered Activity: Any activity that involves housing construction, rehabilitation, or other public construction funded by Section 3 covered assistance.

Section 3 Covered Assistance: The requirements of part 135 apply to Recipients of covered Section 3 Housing and Community Development Funding for which the amount of the assistance exceeds \$200,000. These requirements also apply to contractors and subcontractors performing work on projects using Federal Housing and Community Development Funding from DCA for which the Recipient's award exceeds \$200,000 and the contract or subcontract exceeds \$100,000. If the Recipient's award of assistance exceeds \$200,000, but the contracts and subcontracts do not exceed \$100,000, then only the Recipient is subject to the Section 3 preference requirements. The Recipient's responsibility includes awarding contracts, to the greatest extent feasible, to Section 3 business concerns.

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 for the purchase of supplies and materials except whenever a contract for materials includes the installation of the materials.

Section 3 Covered Project: The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with applicable Federal Housing and Community Development Funding.

Section 3 Joint Venture: An association of Business Concerns, one of which qualifies as a Section 3 Business Concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the Business Concerns combine their efforts,

resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the Section 3 Business Concern:

- Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and
- Performs at least 25% of the work and is contractually entitled to compensation proportional to its work.

Very Low Income Person: A person whose household (including single persons) has a total income that does not exceed 50% of the median family income for the project area.

### **PART III. GOALS OF THE SECTION 3 REGULATION:**

DCA's Section 3 protocol seeks to aid Section 3 residents to the greatest extent feasible in three ways, listed in order of preference:

#### *A. Hiring low- and very low-income workers*

DCA requires that a sub-recipient and its contractors make every effort within their disposal to attempt to hire at least 30% Section 3 residents of the aggregate number of full-time new hires with a preference for Section 3 residents in this order:

- 1: Residents of HUD-assisted housing.
2. Residents at the site where the work is being performed.
- 3: Residents of the city where the work is being performed.
- 4: Residents of the county where the work is being performed.

#### *B. Awarding contracts to Section 3 business concerns*

DCA requires that the sub-recipient and its contractors make every effort within their disposal to award at least 10% of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction, and other public construction, to Section 3 business concerns. DCA also requires that the sub-recipient and its contractors make every effort within their disposal to award at least 3% of the total dollar amount of all "Other" Section 3 covered contracts.

#### *C. Providing other economic opportunities*

If a sub-recipient or contractor identifies a greater need, other training and employment opportunities may be provided to substitute for goals A and B. In such cases, a sub-recipient or contractor must provide training and other employment opportunities as

described in Part VII equal to or exceeding 3% of the total contract award in order to meet this goal.

**PART IV. SUB-RECIPIENT RESPONSIBILITIES:**

The sub-recipient of DCA Housing and Community Development Funding accepts the responsibility of not only enforcing the Section 3 requirements, but also for pro-actively providing notice, encouraging, and facilitating compliance with Section 3 subject to the definition of a Section 3 Covered Project. The sub-recipient will have fulfilled this responsibility when they can provide evidence that the following have occurred in the case of every contract and sub-contract solicitation that exceeds the threshold requirements of 24 CFR Part 135:

The following actions are required for all contract and sub-contract solicitations:

- A) Notifying Section 3 residents of opportunities through posting of job openings in community sources that are generally available to low income residents and the general public, including but not limited to: the local community newspaper; the most widely distributed newspaper; the management office of the local housing authority, or homeless agency, or/local low-income housing community; the local workforce board; the local office of the Georgia Division of Family and Children Services; and the local office of the Georgia Department of Public Health serving the county in which the project is located.
- B) Conveying that the contract work is a Section 3 Covered Contract in any advertisement for bids and proposals by placing the following language in each advertisement/public notice and website: **"This project is covered under the requirements of Section 3 of the HUD Act of 1968."**
- C) Notifying contractors of Section 3 requirements in any pre-bid meeting held.
- D) Incorporating the HUD mandated Section 3 clauses in all contracts where the work to be performed is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section3).
- E) Providing Resident Certification and Affidavit forms for employment at the sub-recipient's business offices and allowing applications to be submitted at appropriate local locations.
- F) Encouraging the training of Section 3 residents by the contractors.
- G) Reporting quarterly on its efforts regarding Section 3 implementation on the DCA prescribed mechanism or form.

- H) Refusing to award contracts to businesses or persons that have previously violated Section 3 requirements.
- I) Using the attached Solicitation Package for each procurement associated with a covered project indicating that the work to be performed is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C.1701u (Section 3).
- J) Documenting actions taken to comply with Section 3 requirements including all results and impediments using the DCA prescribed mechanism or form.

Sub-recipients also must implement at least one (1) of the following actions:

- K) Facilitating an opportunity fair annually for contractors to meet interested Section 3 residents for possible employment. A list can be developed as a resource for the sub-recipient and contractors when seeking to hire Section 3 workers in the future.
- L) When employment opportunities arise or are anticipated, posting all job sites funded by DCA with a location or phone number of whom and how to apply for any opportunities for employment, training or contracting. The sign should be no smaller than 24" x 24" in Black ink and specifically read:

*"This project is covered under Section 3 of the HUD Act of 1968 which requires that any new hiring opportunities first be directed to low- and very low income persons in this community. Please contact (list the contact person name and number) for information on any employment, contracting and sub-contracting opportunities."*

**PART V. SUB-RECIPIENT AND CONTRACTOR RESPONSIBILITIES:**

All sub-recipients and contractors must submit with any bid or proposal the prescribed forms in the attached solicitation package describing their proposal to implement Section 3. Omission of these documents with a bid or proposal makes that contractor non-responsive and, therefore, ineligible to be awarded a contract.

The only safe harbors for determining whether Section 3 requirements have been met are the following:

- A. The 30% new hiring of Section 3 Residents goal;
- B. The 10% Section 3 Business Concern Contracting for Building Trades Work goal; and,
- C. The 3% Section 3 Business Concern Contracting for "Other" Covered Contracts goal.

As DCA does not execute final funding contracts, it is reliant upon the compliance of its sub-recipient and/or contractor(s) to execute DCA's Section 3 initiatives. If the goals above cannot be met by the sub-recipient and/or contractor, the sub-recipient and/or contractor must provide documentation explaining why those numerical goals could not be met, including a description of any actions taken, any impediments encountered, and any other economic opportunities provided (See Part VII – Other Economic Opportunities). This documentation must be submitted to DCA for review and approval. DCA will take each sub-recipient's explanation into consideration when making the determination of compliance.

In addition to the notice requirements for both hiring and contracting, other examples of activities to demonstrate effort to comply with the Safe Harbor Limits are listed in the appendix to part 135 of the Code of Federal Regulations—24 CFR Part 135 and include:

1. Distributing or posting flyers advertising positions to be filled;
2. Contacting the local government or housing authority for a list of residents who have expressed interest in Section 3 employment;
3. Holding job informational meetings for residents, contractors, etc...;
4. Contacting agencies administering HUD YouthBuild programs and requesting their assistance in recruiting HUD YouthBuild program participants for training and employment positions.

#### **PART VI. PREFERENCES AND ELIGIBILITY:**

*Note: All persons who are recipients of housing assistance from the government are Section 3 residents. Residents of HUD assisted housing are top priority Section 3 residents (Tier One). HUD assisted housing includes: (A) public Housing, (B) Housing Choice Voucher holders, (C) substance abuse rehabilitation housing, (D) domestic violence shelters, (E) transitional housing facilities, (F) homeless shelters, and (G) veterans housing. The businesses owned by Section 3 residents (ROBs) are top priority business concerns (Tier One). When employment or contracting opportunities are offered and all requirements are met and remain equal, HUD assisted housing residents and ROBs within the area of the project shall be provided preference over other Section 3 residents/business concerns and non-Section 3 residents/business concerns.*

- A) Regarding the hiring of Section 3 residents, preference, in the following order, shall be given to those residents who live:
1. In HUD assisted housing.
  2. At the site where the work is being performed.
  3. In the city where the work is being performed.
  4. In the county where the work is being performed.

- B) Regarding the contracting opportunities for Section 3 business concerns, preference shall be given to business concerns, in the order of preference described in Section A of Part VI, Preference and Eligibility, meeting these definitions and in this order:
1. Resident Owned Businesses (ROBs) owned and operated at 51% by Section 3 Residents.
  2. Businesses that employ Section 3 residents at no less than 30% of the contractors aggregate full time staff.
  3. Contractors that at the time of bid show evidence (meaning the specific name and preference met) of their intent to award no less than 25% of their total award to Section 3 business concerns.
- C) A Section 3 resident seeking employment must fulfill the requirements of the sought position and, if asked, must provide evidence of their Section 3 status (e.g., proof of residency in public housing development; evidence of participation in a HUD YouthBuild program operated in the metropolitan area (or non-metropolitan county) where the Section 3 covered assistance is spent; evidence that the individual resides in the Section 3 area and is a low or very low-income person as defined in Section 3(b) (2) of the U.S. Housing Act of 1937). Recipient agencies may choose to allow prospective Section 3 residents to self-certify their eligibility. Any self-certification should include a statement of penalty for falsifying information. A Section 3 Business Concern seeking to win a contract must fulfill the requirements of the contract and, if asked, provide evidence of their Section 3 status.

**PART VII. OTHER ECONOMIC OPPORTUNITIES:**

The Other Economic Opportunities provision may only be used when a contractor or sub-recipient desires to claim a preference under Part VI and cannot comply with the hiring or subcontracting goals set forth in the Preference Tier structure, or, based on observed special needs, has concluded that providing Other Economic Opportunities will be a greater benefit to Section 3 Residents or Businesses. Whenever the Other Economic Opportunities provision is employed, the actions must equal or exceed 3% of the total contract value including all labor and material costs as well as any change orders to these costs.

Firms that will provide other economic opportunities will be responsible for soliciting and contracting a qualified firm/individual experienced in providing a Georgia Department of Labor Approved training curriculum consistent with Section 3 requirements of 135.11 in the area of Section 3 resident training in the following areas:

- Employment Readiness and Professional Development
- Section 3 Small Business Concern Development Training
- Computer Literacy and Data Entry Skills Training
- Employment Skills Training (Any Viable Employment Field)

- Other training curriculum approved by DCA

The acceptability of these efforts will be determined by DCA in the case of a sub-recipient, and by the sub-recipient in the case of a contractor, or in cases of a complaint, by HUD.

**PART VIII. DCA SECTION 3 RESPONSIBILITIES:**

To Be Added.

**PART IX. COMPLAINTS AND COMPLIANCE:**

Any Section 3 resident or business concern that feels that the Section 3 regulations were not complied with may file a complaint directly to the Assistant Secretary for Fair Housing and Equal Opportunity at the following address (or as otherwise directed by HUD):

Assistant Secretary for Fair Housing and Equal Opportunity  
U.S. Department of Housing and Urban Development  
Regional Field Office  
40 Marietta Street, NW  
Atlanta, Georgia 30303

The complaint must be in writing and be received within 180 days from the date of the action upon which the complaint is based. It should include the complainant's name and address, the sub-recipient's or contractor's name and address, and a description of the acts in question. The complainant will receive a response from HUD within 10 days in which further investigation will be explained.

## **PART X. DCA STANDARD SECTION 3 OPERATING PROCEDURES**

Policy Effective Date: \_\_\_\_\_, 20\_\_      Procedural Change Date: \_\_\_\_\_, 20\_\_

### **Procedure Title: Section 3**

This operating procedure is tied to the Operating Policy on Section 3 designed to achieve and maintain compliance with the HUD Act of 1968 revised in 1992 and in 1994.

The procedures contained within are relative to the Section 3 daily operations in:

- Hiring
- Procurement
- Contracting
- Compliance Management
- Solicitation Package and Certification Documents

#### **Section 1 – Sub-Recipients and Contractors: Hiring**

This procedure encompasses all full time employment types including, long term, short term, temporary and special assignments. In the process of seeking new employees for the sub-recipient, contractor, or subcontractor, the following procedures should be followed in an effort to create as many employment opportunities for Tier 1 HUD direct beneficiaries:

**Step 1:** Post the position in community sources that are generally available to low income residents and the general public. It is required that a minimum of three (3) of the following listed sources will be exercised at least once prior to extending an offer of employment to anyone not covered by Section 3 requirements:

- A) The local community newspaper
- B) The most widely distributed newspaper
- C) Company or agency website
- D) The management office of the local housing authority, or homeless service agency, or local low income housing community
- E) Local Workforce Board (i.e., Department of Labor)
- F) Local office of the Georgia Division of Family and Children Services
- G) Local office of the Georgia Department of Public Health
- H) Dodge Room <http://www.construction.com/dodge/dodge.asp>
- I) Other locations as approved by DCA.

**Step 2:** Be certain to list in the notice that the position is a “**Section 3 Covered Position under the HUD Act of 1968 and that Section 3 Residents and Business Concerns are encouraged to apply.**”

**Step 3:** In reviewing all applicants, be certain to first select candidates that best fit the position requirements. If a Tier I resident is identified as a qualified candidate, all things being equal with others in consideration, a preference for employment should be given to the Section 3 Resident based on the Policy order established in Part VI – Preferences and Eligibility.

**Step 4:** In cases where a sub-recipient or contractor establishes a relationship and requirement with any temporary employment agency contractor, the temporary employment agency contractor or temporary employment agency must require placements to its sub-recipient or contractors to complete the Self Certification form clarifying their qualifications as a qualified Section 3 Resident. Any person certifying as a qualified Section 3 Resident must be given Preference for any Section 3 covered assignment with the sub-recipient or contractor providing they meet all other position requirements.

## **Section 2 –Sub-Recipients and Contractors: Procurement**

Whenever a contract opportunity is solicited, these steps must be followed in order to comply with DCA’s Section 3 Policy.

**ROB Verification:** Whenever ROB status is sought, the sub-recipient or contractor staff shall request address and ownership verification of the 51% Owner/Operator rule as stated in the HUD Act of 1968. Use of the “**Section 3 Self-Certification Form**” attached to this policy is an acceptable statement of address and business data, when presented along with all other required incorporation documents, including any Letter of Issuance of a Federal Employer Identification Number (FEIN) and state Articles of Incorporation.

**Step 1:** *This step is only applicable when a public housing authority is involved in the transaction.* During the development process of any solicitation or work project, there should be a determination as to whether or not the work can be and/or should be isolated to Resident Owned Businesses (ROB’s) under the **24 CFR Part 963.12 Alternative Procurement Method**. If so, then Steps 2-8 should be followed with respect for **ROB’s ONLY**. Keep in mind, a qualified ROB can be one that is a Joint Venture Partnership where a non-ROB can participate at no more than 49% ownership, operations and profit. A statement where both parties have committed to these terms is required as validation of ROB status.

**Step 2:** As a direct method of encouraging greater participation and election of Section 3 Preference by contractors, DCA requires that all sub-recipient and contractors conduct at least one pre-bid meeting or workshop to facilitate the meeting of contractors (large and small) in hopes that more opportunities will be afforded all parties in covered DCA funded contracts. These steps must be in compliance with State of Georgia procurement laws. Where a conflict

occurs, the sub-recipient or contractor should not conduct such acts that would constitute a violation.

**Step 3:** Post the contract opportunity in community sources that are generally available to Section 3 Businesses, low income residents and the general public. It is required that a minimum of three (3) of the listed sources will be exercised at least once prior to entering into a contract with anyone not covered by Section 3 requirements:

- A) The local community newspaper
- B) The most widely distributed newspaper
- C) Company or agency website
- D) The management office of the local housing authority, or homeless service agency, or local low income housing community
- E) Local Workforce Board (i.e. Georgia Department of Labor)
- F) Local Office of the Georgia Division of Family and Children Services
- G) Local Offices of the Georgia Department of Public Health
- H) Dodge Room <http://www.construction.com/dodge/dodge.asp>
- I) Other locations as approved by DCA.

DCA recommends that all such posting periods shall last at least one calendar week.

**Step 4:** The sub-recipient or contractor must place a notice of the contracting opportunity(ies) in any public housing resident newsletters, notices or bulletins as may be available.

**Step 5:** All ads must include a notice that the contract opportunity is a **“Section 3 Covered Contract and that Section 3 Business Concerns are encouraged to apply.”**

**Step 6:** All procurements must include the attached **“Solicitation Package”** for sub-recipients and contractors to complete and return with their applications/responses. Any application/response that is received without the completed forms both signed and notarized should be considered non-responsive and the response rejected.

**Step 7:** In reviewing the solicitation responses, any contractors that are identified as qualified Section 3 Concerns should be reviewed and if legitimate, granted a Preference in contracting, all other things being equal.

**Step 8:** When procurements require point scores as part of the award process, the sub-recipient or contractor shall ensure that a method of providing Preference exists based on the solicitation criteria to secure the most qualified firm or individual for the contract. Under no circumstances shall a contract be awarded to a firm (Section 3 or Non-Section 3) if they fail to meet minimum standards or do not score high enough to surpass “competitive range” scoring. **Section 3 Preference only is to be considered after all other relative quantitative and qualitative factors have been scored and weighted.**

**Step 9:** All solicitations shall require that applicants/respondents convey prior compliance with Section 3 on any HUD funded contract. **If a contractor has not complied on any HUD funded contract effective on or after January 1, 2014, they should be considered non-responsive.**

**Step 10:** All solicitations must include a certification of prior compliance with HUD Section 3 for all HUD funded contracts effective on or after January 1, 2014 as a requirement for participation in the current solicitation. See the attached form titled: "Previous Compliance Certification."

### **Section 3 - Sub-Recipients and Contractors: Contracting**

**Step 1:** In addition to the required Section 3 contract language provided in 24 CFR §135.38, the following language is to be added to all new contracts effective immediately:

"All contractors claiming a Preference in contracting by meeting any of the three qualifications including: a Resident Owned Business, Hiring/Employing 30% of New Hires, and/or sub-contracting at least 25% of their total award to a Section 3 Concern, shall maintain that status throughout the life of the contract. Failure to meet this requirement will result in penalties up to and including contract termination."

**Step 2:** Any sub-recipient or contractor claiming a Preference **must be in compliance prior to the issuance of a notice to proceed** by DCA, sub-recipient, or contractor based on the policies established for the applicable DCA funding program.

**Step 3:** The sub-recipient or contractor must maintain compliance. If at any time a sub-recipient or contractor fails to bring the contract into compliance, DCA, the sub-recipient, or contractor must withhold all future payments until the contract is in compliance or until other penalties have been levied as stated below.

DCA, the sub-recipient, or the contractor shall execute these remedies to achieve compliance in this order:

- A. Based on the first observation or report of non-compliance with Section 3, the sub-recipient or contractor will be sent an e-mail by the compliance manager notifying them of their non-compliance issue. The sub-recipient or contractor will have until the next payroll or 10 business days, whichever is less, to bring the contract into compliance and/or justify in writing why they cannot meet compliance requirements.
- B. DCA, the sub-recipient or contractor must render a response to the violating party within 10 business days of receipt of the violating party's letter of reason for non-compliance. If DCA, the sub-recipient, or the contractor deems the reason to be unacceptable, at its option, DCA, the sub-recipient, or the contractor can extend the

response period one time for up to 5 business days to allow the violating party to identify and secure other compliance options.

- C. If the violating party fails to take any corrective action to bring the contract into compliance within the allotted time, or DCA, the sub-recipient, or the contractor rejects any of the corrective plans and justifications for non-compliance, DCA, the sub-recipient, or the contractor will either terminate the contract immediately or impose liquidated damages equal to the number of days out of compliance divided by the total contract period multiplied by the contract amount. For example, if a violating party is out of compliance for 30 days of a total contract period of 120 days and as part of total contract of \$600,000, then the liquidated damages will equal 25% (30/120) of the total contract amount (\$600,000), or \$150,000. At DCA's determination, any liquidated damages received must be paid to the sub-recipient or DCA, at DCA's determination, and be used to promote economic opportunities for Section 3 Residents and Business Concerns.

DCA, the sub-recipient, or the contractor will hold **all funds due to the violating party until such time that a financial workout is completed.**

***Additionally the violating party may be banned by DCA, the sub-recipient, and the contractor on future HUD funded projects.***

## Georgia Department of Community Affairs

### Language Access Plan

#### I. Introduction

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that recipients of federal funds take responsible steps to ensure meaningful access by persons with Limited English Proficiency (LEP persons). The Georgia Department of Community Affairs (DCA) is a recipient of federal funds for a portion of its programs and, thus, obligated to reduce language barriers that can preclude meaningful access by LEP persons to DCA programs. DCA has prepared this Language Access Plan ("LAP" or "Plan"), which defines the actions to be taken to ensure meaningful access to agency services, programs, and activities on the part of persons who have limited English proficiency.

In preparing this Plan, DCA conducted a four factor analysis, considering (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Agency or its federally funded programs, (2) frequency with which LEP persons come into contact with Agency's program, (3) nature and importance of the program, activity, or service to people's lives, and (4) resources available and costs. DCA will review and update, on an annual basis, this LAP in order to ensure continued responsiveness to community needs.

#### II. Purpose

The purpose of this plan is to ensure clients of DCA meaningful access to services, programs, and activities although they may be limited in their English language proficiency. DCA is committed to this Language Access Plan as the appropriate response to meeting our clients' needs.

#### III. Definitions

*Recipient* means the entity designated as a recipient for assistance with federal or state funding. This is any entity which receives federal assistance, directly from DCA or from another recipient. This includes, but is not limited to, any unit of local government, public housing authority, community housing development organization, public or private nonprofit agency, developer, contractor, private agency or institution, builder, property manager, residential management corporation, or cooperative association.

*LEP* means Limited English Proficiency. Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English, and may be entitled to language assistance with respect to a particular type of service, benefit, or encounter. Note that for the purposes of gathering data for the four-factor analysis, DCA used the U.S. Census definition as any individual who speaks a

language at home other than English as their primary language, and who speaks or understands English “not well” or “not at all”.

LAP means this language access plan.

#### **IV. Analysis**

##### **DCA Description**

The Georgia Department of Community Affairs (DCA) was created in 1977 to serve as an advocate for local governments. On July 1, 1996, the Governor and General Assembly merged the Georgia Housing and Finance Authority (GHFA) with the Department of Community Affairs. Today, DCA operates a host of state and federal grant programs; serves as the state's lead agency in housing finance and development; promulgates building codes to be adopted by local governments; provides comprehensive planning, technical and research assistance to local governments; provides rental assistance for eligible households; and serves as the lead agency for the state's solid waste reduction efforts. DCA's Mission Statement is “Partnering with communities to help create a climate of success for Georgia's families and businesses.”

DCA is comprised of the following Groups which administer various state and federally funded programs:

DCA Housing Group which includes:

- **Rental Assistance Division**  
The Rental Assistance Division (RAD) administers the Housing Choice Voucher (HCV) rental assistance program which assists extremely low-income, very low-income and low-income families obtain decent and affordable housing in the private market. RAD administers the HCV, Veterans Administration Supportive Housing (VASH), Mainstream, Enhanced Voucher, Project Based, and Homeownership programs.
- **Housing Finance and Development Division**  
The Housing Finance and Development Division administers single-family homeownership and multi-family rental housing programs. The programs it administers include the Georgia Dream Homeownership Program, Low-income Housing Tax Credit (LIHTC), HOME Investment Partnership Program, Sec. 1602 Tax Credit Exchange Program, and Tax Credit Assistant Program. Within the division, the Office of Housing Finance provides affordable financing to assist low and moderate income Georgia residents with homeownership and rental housing while the Office of Portfolio Management is responsible for the compliance monitoring and asset management of the programs.

- **Housing Policy and Administration Division**  
 Within this Division, the Office of Program and Public Affairs (OPPA) administers DCA's programs (1) to assist the homeless and individuals with disabilities, including the administration of federal Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), Shelter Plus Care (S+C), Section 811 Project Rental Assistance Demonstration (811), and HOME-funded Tenant Based Rental Assistance (TBRA); (2) to fund eligible applicants to administer HOME-funded down payment and homeowner rehabilitation assistance programs in their communities; (3) to provide housing and foreclosure mitigation counseling; (4) to provide outreach to local governments, community leaders, private organizations regarding DCA's housing programs; (5) to administer the overarching reporting and compliance requirements of the federal HOME program, the federal Consolidated Plan, and the Continuum of Care. The balance of the Division outside of OPPA includes DCA's loan portfolio administration section for DCA's homeownership programs, legal affairs for DCA's housing initiatives, and mortgage revenue bond administration.
- **HomeSafe**  
 The HomeSafe Georgia program provides eligible Georgia homeowners who are struggling to make their mortgage payment due to unemployment or under-employment due to no fault of their own with up to 18 months of mortgage payment assistance to possibly prevent foreclosure.

DCA Community Development and Finance Group which includes:

- **Community Finance Division**  
 This Division is comprised of the Office of Community Development, the Office of Economic Development, and the Office of Field Services. These offices administer the following types of programs: Federal and State Community and Economic Development programs such as the Community Development Block Grant (CDBG) and Neighborhood Stabilization (NSP) Programs. The primary purpose of these programs is to enhance the livability of communities by creating jobs, and investing in critical infrastructure and housing improvements.
- **Community Development Division**  
 This Division is comprised of the Office of Planning and Environmental Management, Office of Construction Codes and Research, Georgia Commission on Service and Volunteerism, and the Office of Downtown Development. These offices administer the following types of programs: State Planning and Community Development programs such as comprehensive planning, downtown development, Main Street, water resource management, Signature Communities, Communities of Opportunity, and design services; Building Codes programs such as the State Building Code, Construction Codes and the Industrialized Building program; Research and Surveys programs including statutorily required local government surveys, financial reporting, and the

Government Management Indicator Survey; and Service and Volunteerism programs including Americorps, Keep Georgia Beautiful and the Martin Luther King, Jr., Advisory Council.

DCA Administration & Finance Group which includes:

- Administration Division

This Division is comprised of the Office of Administrative Operations, the Office of Information Technology and the Office of Human Resources. The goal of these Offices is to provide quality seamless customer service to all internal and external customers. Administrative Operations provides administrative support services including asset management, building management, DCA fleet vehicle management, mail management, office supply/equipment management, print/publication management, reception, records management, risk management, and telecommunications. The Office of Information Technology provides technology support for the external website, the SharePoint intranet site, web and PC applications, database management, video management, publication and graphic creation, server management, email management, data backup management, end user computer support, printer support, technology help desk, mobile device support, IT security management, and GIS management. The Office of Human Resources provides a variety of services in the areas of recruitment, employee relations, compensation and benefits, and performance management. Some examples of these services include coordinating the recruitment/selection process, administering the position classification, compensation, and performance management systems, managing the employee benefit program, and assisting managers to attract, retain, and train a competent workforce.

- Finance Division

This Division is comprised of the Office of DCA Accounting, the Office of GHFA Accounting, Treasury Services, State Home Mortgage, and Budgeting. The goal of these offices is to provide quality seamless customer service to all internal and external customers. DCA and GHFA Accounting provide accounting, payroll, and procurement services for all DCA and GHFA operations. Treasury Services manages the investment portfolios for DCA and its entities. State Home Mortgage services the mortgage loans made under the Georgia Dream Program. The budget unit is responsible for developing, monitoring, and managing the budget for DCA and its entities.

DCA Executive Group which includes:

- Executive Division

This Division is responsible for overall agency performance, including alignment of resources, policy development with the Board of Directors and Executive Team, communication with constituents and partners, relationships with other

organizations and the legislature, and provision of general policy guidance to the various operating divisions. The Executive Office is led by the Commissioner, appointed by the Governor and the Board, who also serves as the Executive Director of the Georgia Housing and Finance Authority. It includes the agency Chief of Staff and Governmental Affairs Director. Also in the Executive Office is the External Affairs division, which provides services and programs designed to provide outreach to rural and regional locations for policy and program development as well as youth development programs.

### Likely Points of Contact between DCA and the LEP Population

DCA has determined that persons with LEP are most likely to come into contact with Agency programs as follows:

- Persons seeking to access to housing or housing assistance in any program funded by or through DCA.
- Persons seeking relief from pending foreclosure proceedings.
- Persons that visit any of DCA's offices to receive information regarding programs or other services.
- Persons seeking to participate in the planning process for DCA programs or services.
- Persons who reside in DCA funded affordable housing who have a question or problem with property ownership or management.

### Identifying Georgia's LEP Population Who May Need Language Assistance-- Factor One

Per the 2010 American Community Survey, approximately 86.7% of Georgia's population speaks English, and 13.3% speak a language other than English. 17.8% of Georgia's population speaks Spanish or Spanish Creole, and 2.4% speak other indo-European languages and 2.2% speak Asian and Pacific Island Languages. No other ethnicity has a sizeable limited English proficiency. The Migration Policy Institute identified the Top Five LEP populations in Georgia as Spanish, Korean, Vietnamese, Chinese, and African languages.

The State of Georgia has identified 18 counties where LEP populations exceed the Department of Justice's Safe Harbor 5% threshold<sup>1</sup>. These are depicted in the following table:

County	Total Population	Total LEP Population	Language 1 (name)	Language 1 (LEP number)	Language 1 (LEP % of total pop)
Atkinson County	7,600	800	Spanish	800	10.1
Clayton County	238,600	25,600	Spanish	16,400	6.9
Cobb County	634,900	50,400	Spanish	34,300	5.4
Colquitt County	41,300	4,200	Spanish	3,900	9.5

DeKalb County	639,100	57,900	Spanish	33,900	5.3
Echols County	3,700	1,100	Spanish	1,100	30.2
Evans County	10,100	700	Spanish	700	6.9
Gilmer County	26,500	1,600	Spanish	1,600	6
Gordon County	50,600	4,100	Spanish	3,800	7.5
Grady County	23,000	1,400	Spanish	1,300	5.8
Gwinnett County	731,200	116,900	Spanish	70,900	9.7
Habersham County	39,900	2,700	Spanish	2,200	5.6
Hall County	163,700	24,500	Spanish	23,100	14.1
Murray County	36,900	2,600	Spanish	2,500	6.6
Polk County	38,000	2,400	Spanish	2,200	5.7
Telfair County	15,300	1,300	Spanish	1,200	8
Tift County	37,200	2,300	Spanish	2,000	5.3
Whitfield County	92,800	15,900	Spanish	15,200	16.4

<sup>1</sup> Source: Migration Policy Institute Tabulations from the US Census Bureau's pooled 2009-2011 American Community Survey (ACS) and 2007-2011 ACS.

### **Frequency with Which LEP Persons May Come Into Contact With DCA's Programs –Factor Two**

Considering DCA's diverse array of programs and services that are available in the counties identified above, it is likely that LEP persons may have direct contact with some programs and staff. See the list of Likely Points of Contact for instances where there is an increased probability that Language Assistance will be needed.

### **Nature and Importance of the Program, Activity, or Service Provided By DCA – Factor Three**

Several programs and services offered by DCA may provide direct assistance to LEP individuals and families; therefore the type of proposed activities may be critical in determining the type of language access needed. Of particular importance will be those instances when DCA or one of its Recipients is providing a direct service to an individual or household or where Citizen Participation is part of the vital process for determining state and local needs and program policies.

### **V. Language Access Plan—Factor Four**

This Language Access Plan represents DCA's administrative blueprint to provide meaningful access to Agency services, programs and activities on the part of LEP individuals. This Language Access Plan outlines the tasks DCA will undertake to meet this objective and identifies the resources available and costs to DCA

DCA has taken the following actions to address LEP:

Updated June 2013

- 1) DCA has appointed a DCA Language Access Coordinator. As of this plan date, the coordinator is:

Jen Erdmann  
Georgia Department of Community Affairs  
60 Executive Park South, NE  
Atlanta, GA 30329  
404-679-4839.  
[jen.erdmann@dca.ga.gov](mailto:jen.erdmann@dca.ga.gov)

Each Division also has a language access contact staff member assigned to assist division staff with language access issues. The Current Division contact list is attached to this Plan as Exhibit A.

If the need for access services is identified either by phone, email, or in person, staff shall immediately contact their division language access contact who will take appropriate action to ensure meaningful communication through the methods described below. If the Division contact is not available for a particular Division, staff will contact other staff listed on Exhibit A for assistance. In addition, the DCA Language Access Coordinator will also be available as a resource in obtaining assistance.

- 2) DCA has identified resources that shall be used to ensure access to all programs and services offered by DCA in the above identified areas, and shall employ the following resources to achieve that goal:
  - Employ interpreters when necessary by phone – through a contract with Language Line Solutions which interprets spoken word in various languages.
  - Maintain a listing of identified DCA staff members who are proficient in languages other than English and who are willing to assist in interpretation issues.
  - Each DCA field office (Rental Assistance Division) is equipped with a global language translation device that can translate 12 or more different languages allowing staff to effectively communicate with LEP persons.
  - The DCA central office is equipped with global language translation devices that can translate 12 or more different languages allowing staff to effectively communicate with LEP persons.
  - Employ Receptionist(s) in the Atlanta office who are proficient in Spanish. An employee in each regional office will be trained in conversational

Spanish. Receptionists will be trained on the use of I-Speak cards to identify the language needs of visitors.

- Require one staff member in the RAD Office of Compliance to be proficient in Spanish.
- Require one staff member in the Portfolio Management/Compliance office to be proficient in Spanish.
- Require at least two staff members in the HOMESAFE Georgia office to be proficient in Spanish.
- HOMESAFE will employ at least one bi-lingual trainer
- Maintain contracts for interpretation of documents. DCA currently contracts with the following firms:

Language Line Solutions  
LATN, Inc.  
Interpreters' Unlimited

- GeorgiaHousingSearch.org is a DCA-sponsored database of affordable rental properties across Georgia. The tool provides detailed information about rental properties, enabling individuals and families searching for housing to locate a unit that best fits their needs. The service can be accessed at no cost online 24 hours a day or through a toll-free, bilingual call center at 1-877-428-8844, available M-F, 9:00 am - 8:00 pm EDT.

The fast, easy-to-use FREE search lets people look for rental housing using a wide variety of criteria, including number of bedrooms, rent range, accessibility features, access to public transportation, and criminal background and credit check requirements. Housing listings display detailed information about each property, including a mapping feature, pictures, and direct contact information with rental agents. The service also provides links to housing resources and helpful tools for renters such as an affordability calculator, rental checklist, language translator (71 Languages), and information about renter rights and responsibilities. DCA requires that all participants in its rental housing development program participate in listing their properties into the GeorgiaHousingSearch.org database. Information related to GeorgiaHousingSearch.org is attached to this plan as Exhibit B.

- DCA shall translate Vital Documents for programs that are frequently accessed directly by citizens. DCA has determined that the Fair Housing Brochure, Citizens Participation Plan, Reasonable Accommodation forms and Grievance procedure forms should be translated into Spanish.

- Because the cost of translating documents is very high, DCA will undertake a two year review of identifying additional vital documents and determining the best way to undertake translation services.
  - DCA also uses local community services such as law enforcement agencies, organizations, churches and /or schools that offer translators and interpreters. Examples include (but are not limited to): The Latin American Association, local school districts, and ecumenical organizations.
- 3) **Staff Training.** DCA staff shall be trained in the Agency Protocols for implementation of this Language Access Plan in group workshop sessions conducted by the DCA Language Access Coordinator. Trainings shall occur on an annual basis. Division language access contacts shall provide training to new staff members.
  - 4) **Notification.** DCA shall maintain notices on its website of the availability of translation and interpretation services. DCA outreach staff will also provide information relating to DCA's translation and interpretative services to industry partners. Staff that uses Constant Contact to keep participants informed of available resources will add a link to DCA's Fair Housing website which will contain information related to the availability of interpretative services offered by DCA.

DCA will monitor, maintain and update LEP requirements as required by HUD at least annually and/or as changes occur.

- 5) DCA will provide its Recipients in the 18 counties listed in the Table above technical assistance regarding their responsibilities to provide Language Access Services using DCA's 4-factor analysis and this Plan as a template for meeting their obligations under Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166.
- 6) **Documentation** DCA shall use its existing Customer Service Database System (CSMS) to document all requests for reasonable accommodation and actions taken to address those requests.

## VI. Complaints

Complainants may file a complaint with the DCA Language Access Coordinator if it is believed you have been denied the benefits of this Plan. Complaints will be investigated pursuant to DCA's Grievance procedures. To file a complaint with the DCA Language Access Coordinator, submit the written complaint to:

Jen Erdmann  
DCA Language Access Coordinator  
Georgia Department of Community Affairs  
60 Executive Park South, NE  
Atlanta, GA 30329  
404-679-4839.  
[jen.erdmann@dca.ga.gov](mailto:jen.erdmann@dca.ga.gov)

OR

Any person that feels that the Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 regulations were not complied with may file a complaint directly to the Assistant Secretary for Fair Housing and Equal Opportunity at the following address (or as otherwise directed by HUD):

**Assistant Secretary for Fair Housing and Equal Opportunity  
Department of Housing and Urban Development  
Regional Field Office  
40 Marietta Street  
Atlanta, GA 30303**

# DO YOU USE THIS PACKAGE?

(ANSWER ALL 3 QUESTIONS)

YES   NO



1. Did you contract for \$200,000 or more directly from DCA? If so, you are a Sub-recipient and this package is applicable to you.



2. Did you contract for \$100,000 or more directly from the Sub-recipient (see above)? If so, you are a Contractor and this package is applicable to you.



3. Did you contract for \$100,000 or more directly from the Contractor (see above)? If so, you are a Sub-Contractor and this package is applicable to you.



If you answered "YES" to any question, this package IS applicable to you

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### IMPORTANT NOTE!!!

Even if you answered "NO" to **ALL** questions, this package **BECOMES APPLICABLE** to you when, during the life of your contract, you trigger "YES" to any of the above questions.

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This form must be returned to the soliciting entity with your bid package. Failure to return this documentation will render your bid package as non-responsive.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position Title

\_\_\_\_\_  
Entity Name

\_\_\_\_\_  
Date

Georgia Department of Community Affairs  
60 Executive Park South, NE, Atlanta, GA 30329

## Mandatory Section 3 Solicitation Package

This mandatory solicitation package has been developed in accordance with DCA's Section 3 Policy for Covered HUD Funded Activities. DCA encourages all sub-recipients, contractors, and sub-contractors to review this policy prior to completion of the solicitation package. For those solicitations that meet the applicable Section 3 thresholds, this package must be returned in its entirety to the contracting entity. The Section 3 Clause, required forms, and instructions are included in this package.

The following Section 3 forms must be completed and returned as instructed:

- Section 3 Self Certification and Action Plan
- Previous Section 3 Compliance Certification
- Assurance of Compliance Certification

Additionally, if the contractor is claiming certification as a 51% Resident Owned Business (ROB) or is certifying as a 30% employer, the Resident Self-Certification and Skills Data Form must be returned for all employees who meet the low- or very low-income requirement as well as the appropriate Section 3 Business Certification.

## Section 3 Solicitation Overview and Instructions for Contractors

The DCA Section 3 Policy requires that, when the **Section 3 regulation is triggered**, every effort within the contractor's disposal must be made, to the greatest extent feasible, to offer all available employment and contracting opportunities to Section 3 residents and Section 3 businesses based on the compliance methods below.

### All Contracts and All Contractors must meet Section 3 compliance by:

- A. Giving notice of any and all opportunities for employment and contracting to residents of the local Public Housing Authority (PHA), and other low and very low income area residents and businesses, by posting the opportunity in community sources generally available to low income residents and the general public. Exercising a **minimum of three (3)** of the following listed sources must be completed prior to offering employment to anyone not covered by Section 3 requirements:
  1. The local community newspaper
  2. The most widely distributed newspaper
  3. Company or agency website
  4. The management office of the local housing authority/homeless service agency/local low income housing community
  5. Local Workforce Board (i.e. Department of Labor)
  6. Local office of the Georgia Division of Family and Children Services
  7. Dodge Room <http://www.construction.com/dodge/dodge.asp>
  8. Other locations as approved by DCA
- B. Clearly stating in notices that the position is a "Section 3 covered position under the HUD Act of 1968 and that Section 3 Residents and Business Concerns are encouraged to apply."
- C. Placing the Section 3 Clause provided in Appendix A in ALL solicitations.
- D. When possible, other activities may be done to demonstrate effort to comply with the Safe Harbor Limits. These other efforts are listed in the appendix to part 135 of the Code of Federal Regulations—24 CFR Part 135 and include:
  1. Distributing or posting flyers advertising positions to be filled;
  2. Contacting the local government or housing authority for a list of residents who have expressed interest in Section 3 employment;
  3. Holding job informational meetings for residents, contractors, etc...;
  4. Contacting agencies administering HUD YouthBuild programs and requesting their assistance in recruiting HUD YouthBuild program participants for training and employment positions.

- E. Linking residents or businesses to local resources that may be available to help prepare them for applying for and achieving the opportunity.
- F. Working with DCA, the subrecipient or contractor as applicable in developing a communication and follow up process to track and report all Section 3 applications and hiring activities to ensure the reporting of compliance efforts, and that contracting and sub-contracting are accurate. Provide preference in hiring and contracting to Section 3 applicants and contractors when employment or contracting opportunities are offered and all requirements are met and remain equal. Contractors must:
1. Provide this package to all sub-contractors when soliciting bids for all contracts or sub-contracts;
  2. Meet all the same processes in A-E; and
  3. Provide Preference to all sub-contractors meeting the definitions as stated in Section VI of DCA's Section 3 Policy for Covered HUD Funded Activities.
- G. In order for Preference as a Section 3 Contractor to be factored into the award decision, all elements of the solicitation criteria must be equal between contracts. This means price and all other factors must be equal. Then the contractors that elect Preference on the Certification and Action Plan form that meet that Preference criterion will be provided Preference in the award of the contract as provided in Part VI., Preferences and Eligibility of DCA's Section 3 Policy for Covered HUD Funded Activities.

Example:

Bill's electrical and Sue's Electrical bid a job where the housing authority has a budget of \$500,000. Bill bids \$480,000 and elects a Preference as a Section 3 business concern because he qualifies as a 51% Resident Owned Business. Sue bids \$450,000 but does not elect any Preference. Both companies met all the other requirements. Sue will be awarded the contract because Bill's bid was higher.

**Important items to remember about receiving Preferences in contract award:**

All contractors and/or subcontractors that elect a Preference and are awarded a contract must be in compliance prior to the issuance of a Notice to Proceed by DCA, the subrecipient, or the contractor based on the policies established for the applicable DCA funding program. The contractor and/or subcontractor must maintain the elected Preference standard during the entire contract or risk having the contract terminated for failure to comply. **See Appendix B for further details.**

When a contractor and/or subcontractor that elected a Preference is unable to identify a Section 3 resident or a Section 3 business for employment or contracting opportunities, the contractor then **must** offer employment related training to the Section 3 residents in the county. The training must be provided according to Part VII – Other Economic Opportunities in DCA's Section 3 Policy.

## Appendix A Section 3 Clause

**Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)**

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of Section 3 apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## Appendix B

### Section 3 Contract Non-Compliance Cure /Termination Processes

This language is a component of contract compliance with the work to which you are responding in this solicitation. The full requirements are provided in the Section 3 Clause found elsewhere in this package and in DCA's Section 3 Policy for Covered HUD Funded Activities.

Any subrecipient or contractor claiming Preference **must be in compliance prior to issuance of a notice to proceed by DCA, subrecipient, or contractor based on the policies established for the applicable DCA funding program. This preference can be met by any of the three qualifications:**

1. Resident Owned Businesses (ROBs) owned and operated at 51% by Section 3 Residents.
2. Businesses that employ Section 3 residents at no less than 30% of the contractors aggregate full time staff.
3. Contractors that at the time of bid show evidence (meaning the specific name and preference met) of their intent to award no less than 25% of their total award to Section 3 business concerns.

The subrecipient or contractor must maintain compliance throughout the life of the contract. The contractor understands and agrees that a compliance management firm may be used to conduct routine and certified payroll reviews to ensure compliance. The Contractor agrees to provide the payroll data in an Excel or Word format each time the payroll is processed throughout the contract.

Failure to meet the Section 3 requirements will result in penalties up to and including contract termination. Any contractor triggering the regulation by doing any hiring or contracting once they are awarded the contract through execution must comply with the Section 3 requirements by executing the efforts on their Certification and Action Plan in accordance with DCA's Section 3 Policy.

DCA, the subrecipient or contractor shall execute these remedies to achieve compliance in this order:

#### NON-COMPLIANCE CURE PROCESS

- A. Based on the first observation or report of non-compliance with Section 3, the subrecipient or contractor will be sent an e-mail by the compliance manager notifying them of their non-compliance issue. The subrecipient or contractor will have until the next payroll or 10 business days, whichever is less, to bring the contract into compliance and/or justify in writing why they cannot meet compliance requirements.
- B. DCA, the subrecipient or contractor must render a response to the violating party within 10 business days of receipt of the violating party's letter of reason for non-compliance. If DCA, the subrecipient, or the contractor deems the reason to be unacceptable, at its

option, DCA, the subrecipient, or the contractor can extend the response period one time for up to 5 business days to allow the violating party to identify and secure other compliance options.

#### **NON-COMPLIANCE TERMINATION PROCESS**

If the violating party fails to take any corrective action to bring the contract into compliance within the allotted time, or DCA, the subrecipient, or the contractor rejects any of the corrective plans and justifications for non-compliance, DCA, the subrecipient, or the contractor will either terminate the contract immediately or impose liquidated damages equal to the number of days out of compliance divided by the total contract period multiplied by the contract amount. For example, if a violating party is out of compliance for 30 days of a total contract period of 120 days and as part of total contract of \$600,000, then the liquidated damages will equal 25% (30/120) of the total contract amount (\$600,000), or \$150,000. At DCA's determination, any liquidated damages received must be paid to the subrecipient or DCA, at DCA's determination, and be used to promote economic opportunities for Section 3 Residents and Business Concerns.

DCA, the sub-recipient, or the contractor will hold **all funds due to the violating party until such time that a financial workout is completed.**

***Additionally the violating party may be banned by DCA, the sub-recipient, and the contractor on future HUD funded projects.***

**Appendix C**  
**Section 3 Forms**

**Georgia Department of Community Affairs  
Required Submittal - Section 3 Self-Certification and Action Plan**

All firms and individuals intending to do business with DCA, its subrecipients and contractors MUST complete and submit this Action Plan and submit it with the bid, offer, or proposal. *Any solicitation response that does not include this document (completed, signed, and notarized) will be considered non-responsive and not eligible for award.*

Business Name:			
D.B.A. (if different from above):			
Address:		City:	State/Zip:
Business Phone: (    )		Fax: (    )	
E-Mail:		Business Website:	
Federal Employer Identification Number:		Owner Social Security Number (if no EIN):	
Contact Person & Title:		Contact Phone:	
Trade Description:			
<input type="checkbox"/> Carpentry	<input type="checkbox"/> Heating (HVAC)	<input type="checkbox"/> Electrical	<input type="checkbox"/> Painting
<input type="checkbox"/> Masonry Restoration	<input type="checkbox"/> Asbestos	<input type="checkbox"/> Plumbing	<input type="checkbox"/> Roofing
<input type="checkbox"/> Lead (Abatement)	<input type="checkbox"/> General Contractor	<input type="checkbox"/> Concrete	<input type="checkbox"/> Ironwork
<input type="checkbox"/> Carpet/Flooring	<input type="checkbox"/> Rubbish Removal/Hauling	<input type="checkbox"/> Appraisal Services	<input type="checkbox"/> Landscaping
<input type="checkbox"/> Demolition	<input type="checkbox"/> Other:		
_____			
_____			
Date Business was established (MM/DD/YYYY): _____			
Type of Business (Check One):			
<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietorship	
<input type="checkbox"/> Limited Liability Corporation (LLC)	<input type="checkbox"/> Limited Liability Partnership (LLP)	<input type="checkbox"/> Joint Venture	
<input type="checkbox"/> Other (Describe): _____			
_____			
Number of employees: Full-time: _____ Part-time: _____ Contract: _____ Total: _____			
Section 3 employees: Full-time: _____ Part-time: _____ Contract: _____ Total: _____			
_____			

**I am Certifying as a Section 3 Business Concern and requesting Preference accordingly (Select only One Option):**

Option 1

- A business claiming status as a Section 3 Resident-Owned Business Concern (ROB) entity:

\_\_\_\_\_ Initial here to confirm selection of this option

Option 2

- A business claiming Section 3 status, because at least 30% of the existing or newly hired workforce for this specific contract will be Section 3 residents throughout the entire contract period. If a Prime or General Contractor is electing this option, the 30% employment requirement will be for the entire project including all the sub-contractors' employees:

**Check all methods you will employ to secure Section 3 Residents/Persons**

Posting the position in community sources that are generally available to low income residents and the general public is a standard requirement. **Check at least three (3) methods you will employ:**

- The local community newspaper
- The most widely distributed newspaper
- Company or agency website
- The management office of the local housing authority, or homeless service agency, or local low income housing community
- Local Workforce Board (i.e., Department of Labor)
- Local office of the Georgia Division of Family and Children Services
- Local office of the Georgia Department of Public Health
- Dodge Room <http://www.construction.com/dodge/dodge.asp>
- Other locations identified below and subject to DCA approval:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Initial here to confirm selection of this option

I anticipate my total number of employees for this contract to be \_\_\_\_\_ and \_\_\_\_\_ will be qualified Section 3 Residents/persons.

Option 3

- A business claiming Section 3 status by subcontracting 25% of the dollar award to qualified Section 3 Business:

*Attach a list of intended subcontract Section 3 business(es) with subcontract amount.*

*Attach certification & all supporting documentation for each planned subcontract Section 3 Business.*

\_\_\_\_\_ Initial here to confirm selection of this option

**I am NOT Requesting Preference under Section 3:**

- I am NOT certifying as a qualified Section 3 Business Concern and I am not requesting a preference. However if I do trigger the regulation by doing any sub-contracting or hiring, I will comply by meeting all requirements of DCA's Section 3 policy and am committing to do the outreach as specified below.

**Check all methods you will employ to secure Section 3 Residents/Businesses**

Posting the position/contract opportunity in community sources that are generally available to low income residents and Section 3 Businesses and the general public is a standard requirement. **Check at least three (3) methods you will employ:**

- The local community newspaper
- The most widely distributed newspaper
- Company or agency website
- The management office of the local housing authority, or homeless service agency, or local low income housing community
- Local Workforce Board (i.e., Department of Labor)
- Local office of the Georgia Division of Family and Children Services
- Local office of the Georgia Department of Public Health
- Dodge Room <http://www.construction.com/dodge/dodge.asp>
- Other locations identified below and subject to DCA approval:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Initial here to confirm selection of this option

Signature: \_\_\_\_\_

Printed/Typed Name: \_\_\_\_\_

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

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

**Notarial Affidavit**

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
*Signature of Notary Public*

\_\_\_\_\_  
*Printed Name of Notary Public*

Commission Expiration Date: \_\_\_\_\_

*(Notarial Seal)*



Required Submittal - Assurance of Compliance Certification  
Section 3 Action Plan  
Housing and Urban Development Act of 1968  
(12 U.S.C. 1701 U)

Contract/Solicitation Name or Number:

---

DCA Funding Program: \_\_\_\_\_

Entity Receiving DCA Funding Award: \_\_\_\_\_

**Purpose:** To ensure that regulations promulgated under 24 CFR Part 135 Employment Opportunities for Businesses and Lower Income Persons in Connection with Assisted Projects and the Section 3 Policy of DCA, its subrecipients and contractors to the greatest extent feasible is adhered to, and to serve as the "assurance of compliance" certification and action plan as required in the bid documents, supplemental general conditions, and required forms for the contract for any HUD work funded by DCA.

**Description of the project's work detail:** The project work will be as listed in the final scope of work in the contract with DCA, its subrecipients and contractors including any change orders. List all known subcontractors below:

Subcontractor(s): \_\_\_\_\_

*Use an additional sheet if required.*

*Note: If subcontractors are unknown at this time, print UNKNOWN on the line above. Also, the contractor must notify DCA or subrecipient if subcontractors are added or changed during the contract.*

*Any changes to this certification requires a resubmission of this form to DCA or subrecipient.*

**Preliminary Statement for Work Force Needs:**

DCA intends to meet Section 3 compliance at the highest level and it is our intent to identify any short-term and long-term employment or contracting opportunities for qualified Section 3 persons and Business Concerns during the course of the contract funded by DCA via its subrecipients and contractors. Please list the status of all planned employment positions and opportunities for this contract. **Preference for all opportunities must be given to low and very low-income residents if they qualify. If awarded a contract, regardless of whether your firm has elected a preference, you are required to provide a list of your aggregate workforce on this project. Any changes to that workforce during the project will constitute NEW hires. You must notify DCA, its subrecipient or contractor (respectively) overseeing your contract of any new hire opportunities that arise during the life of your contract. The anticipated workforce list may be provided on a separate sheet or in a different format.**

<u>List All Employees</u>	<u>Date Hired</u>	<u>Section 3 Resident (Yes/No)</u>	<u>Job Title/Trade</u>	<u>Salary Range</u>
Name: Address: City, ZIP:				
Name: Address: City, Zip Code:				
Name: Address: City, Zip Code:				
Name: Address: City, Zip Code:				

Use additional pages as needed.

**"To the Greatest Extent Feasible":**

The Contractor has identified \_\_\_ # of **OPEN** positions with respect to this contract. The positions are filled by the \_\_\_\_\_ (Position title) of the Contractor.

Should the scope of work or duties of the contractor change to a degree requiring a modification of the work force needs, the contractor shall put forth a reasonable effort to fill vacant positions with eligible Section 3 residents.

**Documentation of "To the Greatest Extent Feasible":**

The contractor will work with DCA, its subrecipients, and contractors staff to notify residents of any opportunities afforded under the contract. The contractor will partner with DCA, its subrecipients, and contractors by giving preference of any employment opportunities to the Section 3 persons or businesses.

The contractor shall recruit or attempt to recruit from the Section 3 area the necessary number of low-income and very low-income residents and Section 3 businesses, as applicable. The contractor must also document their recruiting efforts and any impediments to compliance with DCA's Section 3 policy and the requirements of this solicitation package. This documentation must be submitted to the recipient or sub-recipient.

1. DCA, its subrecipients and contractors shall: Maintain a list of all low-income area residents who have applied, either on their own or from referral from any source, and employ such person if otherwise eligible and if a trainee vacancy exists.
2. Conduct solicitation in accordance with DCA's Section 3 policy and the requirements outlined in the solicitation package.

The contractor shall review all employment applications and determine if low-income and very low-income residents or Section 3 businesses meet minimum hiring or contracting qualifications. If these applicants meet such minimum qualifications, but are not hired due to lack of employment opportunities or for other reasons, they will be placed on a priority list and offered positions/contracts upon the occurrence of the first available appropriate opening.

**Utilization of Section 3 Businesses Located Within the County:**

The subrecipient or contractor does \_\_\_ does not \_\_\_ intend to subcontract any of the work indentified in the scope of work cited in the bid specifications, scope of work or General Conditions. Should the scope of work or needs of the contractor change, the contractor shall, to the greatest extent feasible, assure that subcontracts be awarded to business concerns within the Section 3 covered area, or to business concerns owned in the substantial part (at least 51%) by persons residing in the Section 3 covered area.

**Record Keeping:**

The subrecipient, contractor or subcontractor, as applicable, shall maintain on file all records related to employment and job training of low-income and very low-income residents or other such records, advertisements, legal notices, brochures, flyers, publications, assurances of compliance from sub-contractors, etc, in connection with this contract. If a report is needed in the future, the subrecipient,

contractor or subcontractor, as applicable, agrees to provide all records upon request. The contractor shall, upon request, provide such records or copies of records to HUD, DCA, their subrecipients, contractors, staff, or agents. Records shall be maintained for at least three (3) years after the close of the contract.

**Reports:**

The subrecipient or contractor shall provide reports as required in connection with the contractor specifications. All certified and regular payrolls shall clearly detail which employees qualify under Section 3.

**Certification:**

The subrecipient or contractor will certify that any vacant employment positions, including training positions that filled:

- 1) After the subrecipient or contractor is selected but before the contract is executed, and
- 2) With persons other than those to who the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the subcontractor's obligations under 24 CFR Part 135.

**Grievance and Compliance:**

The subrecipient, contractor or subcontractor hereby acknowledges that they understand that any low-income and very low-income resident of the project area, for him/her or as representatives of persons similarly situated, seeking employment or job training opportunities in the project area, or any eligible business concerns seeking contract opportunities may file a grievance if efforts to the greatest extent feasible were not executed. The grievance must be filed with HUD not later than one hundred eighty (180) calendar days from the date of the action (or omission) upon which the grievance is based.

I attest that the information on the preceding pages is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**RESIDENT SECTION 3 SELF-CERTIFICATION  
AND SKILLS DATA FORM**



The purpose of this form is to comply with HUD Section 3 administration and certification regulations.

**Certification for Section 3 Residents or other Low-Income Persons Seeking Employment, Training or Contracting**

I, \_\_\_\_\_, am a legal resident of the United States and meet the income eligibility and federal guidelines for a Section 3 Resident as defined within this Certification.

My home address is: \_\_\_\_\_  
Must be a **Street** address not a P O Box #
Apt Number

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Home # \_\_\_\_\_ Cell # \_\_\_\_\_

County of Residence \_\_\_\_\_

Graduated High School or GED (month/year): \_\_\_\_\_ I Read and Speak English Fluently: Yes or No

Attended College, Trade, or Technical School: Yes or No    Graduated? Yes or No    Year Graduated: \_\_\_\_\_

Check the Skills, Trades, and/or Professions in which you have been employed or contracted to do for others:

- |  |  |  |   |
|--|--|--|---|
| <input type="checkbox"/> Drywall Hanging | <input type="checkbox"/> Drywall Finishing       | <input type="checkbox"/> Interior Painting     | <input type="checkbox"/> Framing                    |
| <input type="checkbox"/> HVAC            | <input type="checkbox"/> Electrical              | <input type="checkbox"/> Interior Plumbing     | <input type="checkbox"/> Exterior Plumbing          |
| <input type="checkbox"/> Siding          | <input type="checkbox"/> Cabinet Hanging         | <input type="checkbox"/> Door Replacement      | <input type="checkbox"/> Trim/Carpentry             |
| <input type="checkbox"/> Stucco          | <input type="checkbox"/> Window/Door Replacement | <input type="checkbox"/> Construction Cleaning | <input type="checkbox"/> Exterior Framing           |
| <input type="checkbox"/> Data Entry      | <input type="checkbox"/> Receptionist            | <input type="checkbox"/> Sales                 | <input type="checkbox"/> Telephone Customer Service |
| <input type="checkbox"/> Administrative  | <input type="checkbox"/> Teaching/Training       | <input type="checkbox"/> Personal Care Aide    | <input type="checkbox"/> Landscaping                |
| <input type="checkbox"/> CDL License     | <input type="checkbox"/> Roofing                 | <input type="checkbox"/> Concrete/Asphalt Work | <input type="checkbox"/> Heavy Equipment Operator   |
| <input type="checkbox"/> Fencing         | <input type="checkbox"/> Metal/Steel Work        | <input type="checkbox"/> Welding               |   |
| <input type="checkbox"/> Other           |  | <input type="checkbox"/> Other                 |   |

I am certifying as a Section 3 Resident:     Person seeking Training    or     Person seeking employment

(Check all that apply):

I am a public housing or section 8 Leaseholder                       I live in the service area

My total annual household income is \$ \_\_\_\_\_. There are a total of \_\_\_\_\_ people living in my household.

I certify that all of the information given on this Certification is true and correct. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual which may be grounds for termination of training, employment, or contracts that resulted from this certification. I attest under penalty of perjury that my total household income annually, based on my total household size as listed above is at or below the income amount for that specific size at the time of this document is being signed and notarized. I understand that proof of this statement may be requested in the future.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name: \_\_\_\_\_

**Purpose:**

The purpose of Section 3 of the Housing and Urban Development of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic and business opportunities generated by HUD Financial Assistance shall be directed to the Authority Residents and other low- and very low-income persons, particularly those who are recipients of government housing assistance and to business concerns which provide economic opportunities to Residents and other low- and very low-income persons.

Section 3 resident means:

- (1) A public housing resident; or
- (2) An individual who resides in the metropolitan area or non-metropolitan county in which the section 3 covered assistance is expended, and who is:
  - I. A low-income person, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80% of the median family income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or
  - II. A very low-income person, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments made for smaller or larger families, except that the Secretary may establish income ceilings higher or lower than 50% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.
- (3) A person seeking the training and employment preference provided by section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

Service area means the geographical area in which the persons benefiting from the Section 3-covered project reside.

The figures below represent very low-income families; bottom figures represent low-income families. The most recent income limits established for each county may be found at:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/>.

**Subrecipient or Contractor to Insert 2013 Income Limits for Project Location**

FY 20XX Income Limit Area	Median Income	FY 20XX Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
		Very Low (50%) Income Limits								
		Low (80%) Income Limits								

RESIDENT SECTION 3 SELF-CERTIFICATION  
AND SKILLS DATA FORM  
AFFADAVIT

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STATE OF \_\_\_\_\_

County of \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the City/County of \_\_\_\_\_,  
State of \_\_\_\_\_, do hereby certify that, \_\_\_\_\_, whose  
name is signed to the writing above bearing date on the \_\_\_\_\_ Day of \_\_\_\_\_  
20\_\_\_\_, has acknowledged the same before me in my State aforesaid.

Given under my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
*Signature of Notary Public*

\_\_\_\_\_  
*Printed Name of Notary Public*

Commission Expiration Date: \_\_\_\_\_

*(Notarial Seal)*

### SECTION 3 BUSINESS CONCERN SELF CERTIFICATION

The Georgia Department of Community Affairs (DCA) is seeking to extend the benefits of and to promote compliance with Section 3 by identifying Section 3 Business Concerns and targeting Section 3 Business Concerns for business opportunities, events and educational programs.

In an effort to comply with Federal Section 3 Regulations which promote contract, employment and training opportunities for State of Georgia residents, DCA has instituted a Section 3 Self Certification process.

Businesses seeking certification must complete and submit the attached Section 3 Business Concern Self Certification forms as follow:

1. If your company is qualified because it is owned (51% or more) by one or more Section 3 residents, then complete **Form A, "Section 3 Business Concern – Resident Business Owner(s) Verification"**;

OR

2. If your company is qualified because 30% or more of its full time permanent workforce are Section 3 Residents\*, then complete **Form B, "Section 3 Business Concern – 30% + Workforce"**.

OR

3. If more than 25% of all subcontract work to be awarded shall be performed by Section 3 business concerns as described above, then complete **Form C, "Section 3 Business Concern-Subcontractor"**.

Please answer all questions, sign the completed forms, and notarize the affidavit.

Completed packets must be returned to the subrecipient or contractor as follows:

Name of subrecipient/contractor: \_\_\_\_\_

Attn: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

If you have any questions or require assistance, please contact:

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

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

**Form A**  
**SECTION 3 BUSINESS CONCERN**  
**Resident Business Owner(s) Verification**

A business can be certified as a Section 3 Business Concern if the business is owned (51% or more) by Georgia Section 3 Resident(s).

Name of Owner: \_\_\_\_\_

Home Street Address: \_\_\_\_\_

Home City, County, & Zip Code: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Percentage of Ownership: \_\_\_\_\_%

**Low- to – Moderate Income (80% of Median)**

Check the appropriate box for your family size and income if your total household income is equal to or less than the Gross Household Income Maximum amount listed for your appropriate household size:

Check Box	# of Persons in Household	Gross Household Income Maximum
<input type="checkbox"/>	1 Individual	
<input type="checkbox"/>	2 Individuals	
<input type="checkbox"/>	3 Individuals	
<input type="checkbox"/>	4 Individuals	
<input type="checkbox"/>	5 Individuals	
<input type="checkbox"/>	6 Individuals	
<input type="checkbox"/>	7 Individuals	
<input type="checkbox"/>	8 Individuals	

(Effective \_\_\_\_\_, 2013)

*If the business is owned by more than one Section 3 resident, list each owner below and each should submit a separate Resident Business Owner Verification Form (Form A).*

Please list additional Section 3 Resident owners of the business below:

Name	Position	% Percentage of Ownership

I certify that I am a resident of the State of Georgia and my total household income last year was not more than the amount shown above for my family size. I further certify the information provided is true and accurate and agree to provide upon request, documents verifying the information submitted to qualify as a Section 3 Business Concern.

Print: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Form B**  
**SECTION 3 BUSINESS CONCERN**  
**30% + Workforce**

A business can be certified as a Section 3 Business Concern if at least 30% of its permanent, full-time employees are Section 3 residents, or were Section 3 residents within three years of the date of the first employment with the business. You may also certify as a Section 3 Business Concern if, for this award, you will hire Section 3 residents for at least 30% of your permanent, full-time employees for this specific project. For your firm to be eligible UNDER THIS CRITERIA, you must provide the following information for all permanent, full-time employees.

You may attach additional copies of this chart, if necessary.

List All Employees	Date Hired	Section 3 Resident	Job Title/Trade	Salary Range
Name: Address: City/Zip:				
Total Number of Employees:	<u>Full-Time:</u>	<u>Part-Time:</u>	<u>Contract:</u>	
Number of Section 3 Residents:				
Section 3 % of Total Workforce:				

I certify that the information provided is true and accurate and agree to provide upon request, any/all documents verifying the information submitted to qualify as a Section 3 Business Concern.

Print Name: \_\_\_\_\_

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

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

Signature: \_\_\_\_\_

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

**Form C**  
**SECTION 3 BUSINESS CONCERN**  
**Subcontractor Awarded**

A business can be certified as a Section 3 Business Concern if the firm makes a commitment to subcontract in excess of twenty-five percent (25%) of the total amount of subcontracts to be awarded to: A) Section 3 Resident Owned Businesses; or B) Businesses for which 30% or more of their permanent full-time workforce is comprised of Section 3 Residents.

List all work performed by Section 3 Business Concerns Identified (This Form is to be updated as Section 3 Business Concerns are awarded through the completion of the project):

Name of Business	Qualifying Conditions	Total Contract Award

All identified Section 3 Business Concerns listed above are required to complete a Section 3 Self Certification Application (Forms A – C as appropriate) or provide proof of Section 3 Certification status. Attach all required documents to this form.

I certify that the information provided is true and accurate and agree to provide upon request, any/all documents verifying the information submitted to qualify as a Section 3 business concern.

Print Name: \_\_\_\_\_

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

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

Signature: \_\_\_\_\_

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

