

Certification of Acknowledgement of Section 3 Requirements

CERTIFICATION OF ACKNOWLEDGEMENT OF SECTION 3 REQUIREMENTS

24 CFR Part 75

Section 3 of the Housing and Urban Development Act of 1968 ("Section 3") requires that economic opportunities (employment, training and contracting opportunities), generated by certain U.S. Department of Housing and Urban Development ("HUD") financial assistance, to the greatest extent feasible be directed to low- and very low-income persons, particularly those who are either recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

The project that is the subject of this solicitation ("project") and the resulting contract award will be funded using federal financial assistance and thus qualifies as Housing and Community Development Financial Assistance for purposes of Section 3 regulations and is subject to Section 3 compliance.

As a participating Bidder/Proposer, please answer the questions and provide the requested information on the pages that follow and sign where indicated. Subcontractors employed on the project must also complete these Section 3 forms, if feasible. Include your completed Section 3 forms, and the completed forms for each of your subcontractors with your bid/proposal. Failure to complete all information and/or submit all pages may result in a finding that your bid/proposal is non-responsive.

If awarded a contract, you will be required to provide reports documenting your efforts to comply with the requirements of Section 3 as follows:

Meeting the Section 3 Worker and Targeted Section 3 Worker labor hour benchmarks as follows:

- 25% or more of the total number of labor hours worked by all workers on the project are Section 3 workers, and
- 5% or more of the total number of labor hours worked by all workers on the project are Targeted Section 3 workers.

Directing economic opportunities to persons and businesses in the following order of priority:

Employment & Training Opportunities

- Section 3 workers residing within the service area or the neighborhood of the project.
- Participants in YouthBuild programs

Contracting Opportunities

- Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project.
- YouthBuild programs

A copy of your completed Section 3 certification of acknowledgement of Section 3 requirements form will be included in the contract. General questions and assistance in completing Section 3 forms can be directed to Adam Knuckles – Adam.Knuckles@ky.gov – Cellphone (502) 229-6766.

Section 3 Business Concern Certification

A Section 3 Business Concern meets one of the following criteria:

- It is at least 51% or more owned by low- or very low-income persons at or below (80% area median income) based on individual income limits.
- Over 75 % of the labor hours performed for the business over the prior three-month period are performed by low- or very low- income persons.
- It is a business at least 51% owned by current public housing residents or residents who currently live in Section 8- assisted housing.

The Bidder/Proposer certifies that it (check one):

It is a Section 3 Business Concern.

It is not a Section 3 Business Concern.

The Bidder/Proposer certifies that:

- a. The Bidder/Proposer is under no contractual or other impediment that would prevent them from complying with the 24 CFR Part 75 regulations.
- b. To the greatest extent feasible, employment and other economic opportunities generated by a HUD-assisted project will be directed to low and very low-income persons, particularly who are recipients of HUD assistance for housing.
 - Section 3 workers and Targeted Section 3 workers as defined by HUD, will be notified of the availability of training and/or employment opportunities.
 - Labor organizations or representatives of workers with which the contractor has a collective bargaining agreement or other understanding, if any, will be sent a notice advising of the contractors' commitments under Section 3.
 - Post a 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 Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of 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.
- c. Regardless of hiring or other economic opportunity commitments, the bidder/proposer understands that it also needs to make good faith efforts to achieve the labor hour benchmarks established by HUD pursuant to 24 CFR Part 75.23 and report such labor hours pursuant to 24 CFR Part 75.25. For purposes of Section 3, good faith efforts include, but are not limited to:
 - Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.

- Provided training or apprenticeship opportunities.
 - Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
 - Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
 - Held one or more job fairs.
 - Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care).
 - Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
 - Assisted Section 3 workers to obtain financial literacy training and/or coaching.
 - Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
 - Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
 - Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
 - Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
 - Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
 - Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.
- d. The contractor will track and certify ALL employee names, labor hours, and Section 3 worker/Targeted Section 3 worker status per project and provide this information to KYTC. A good faith estimate of labor hours for each full or part time employee can be used if a detailed time attendance system is not in place. Some Exclusions apply for non-construction services contracts.
- e. 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 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligation under 24 CFR Part 75.
- f. The Section 3 clause will be included in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to collect and provide all subcontractor information and take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause. 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 75.
- g. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be

given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of contract for default, and debarment or suspension from future HUD-assisted contracts.

Contractor's Signature

Please sign below to acknowledge the following:

- You have read and understood the Section 3 requirements set forth herein.
- If awarded a contract, you intend to comply with all applicable requirements and satisfy Section 3 benchmarks and your expressed commitments.
- You understand that if awarded a contract you may be held in material default of the contract if you fail to comply with your expressed commitments.
- You understand that if awarded a contract, your business is required to submit compliance reports, worker certification forms, payroll or time and attendance records and documentation evidencing your efforts to satisfy Section 3 benchmarks and your expressed commitments.

Company: _____

Name: _____

Signature: _____

Title: _____

Date: _____

THIS DOCUMENT MUST BE SUBMITTED TO THE KENTUCKY TRANSPORTATION CABINET, DIVISION OF CONSTRUCTION PROCUREMENT, BEFORE THE 10:00 AM BID OPENING ON THE SCHEDULED BID LETTING DATE.

THE CERTIFICATION OF ACKNOWLEDGEMENT OF SECTION 3 REQUIREMENTS SHALL BE SUBMITTED ELECTRONICALLY TO THE FOLLOWING:

KYTCBIDREQUEST@KY.GOV

THIS CERTIFICATION MUST BE SIGNED BY AN OFFICER OF THE COMPANY OR AN INDIVIDUAL SHOWN ON THE COMPANY'S CURRENT AUTHORITY TO SIGN (FORM TC 14-27).