

SECTION 3 PLAN
FOR
THE CITY OF SIOUX FALLS,
SOUTH DAKOTA

HUD Approved
May 10, 2012

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	2
General Policy Statement	3
Notifying Section 3 Residents	4
Facilitating Section 3 Resident Training & Development	4
Notifying Potential Section 3 Contractor	5
Awarding Contracts to Section 3 Businesses	5
Incorporation of Section 3	6
Section 3 Numerical Goals & Achievement	6
Reporting	7
Internal Complaint Procedure	8
Definitions	9-12

Exhibits/Forms

Exhibit 1	Section 3 Contract Clause
Exhibit 2	Assurance of Compliance
Exhibit 3	Monthly Compliance Form
Exhibit 4	Certification for Business Concerns Seeking Section 3 Status
Exhibit 5	Certification for Section 3 Business Employee
Exhibit 6	Certification of Residents Seeking Preference in Training and Employment
Exhibit 7	Employment Needs

GENERAL POLICY STATEMENT

The City of Sioux Falls is committed to assisting its residents to achieve the goal of self-sufficiency by providing opportunities for training and employment on all projects supported by Federal funding from Housing and Urban Development (HUD) as required under Federal Regulation 24 CFR Part 135. The realization of this policy will be achieved by providing employment opportunities on construction projects through the encouraging of contractors to hire qualified residents, connecting qualified residents to job training and placement activities and providing program coordination that facilitates economic opportunities. To further ensure achievement, the Section 3 Clause will become a permanent part of both bid solicitations and contracts for construction projects.

This policy shall result in a reasonable level of success in the recruitment, employment and utilization of Section 3 businesses and residents for work on construction contracts partially or wholly funded with HUD monies within the City of Sioux Falls. The City shall examine and consider a contractor's potential for successfully providing employment opportunities to Section 3 residents prior to acting on any proposed contract award.

In order to achieve compliance with HUD requirements for all Section 3 covered projects the City will adopt the requirement that contractors recruit and hire Section 3 qualified residents to the greatest extent possible. In addition, it will require that all contractors accept the established goal of this plan to award that dollar amount of contracts for construction, repair and rehabilitation to qualified Section 3 businesses. The City will continue, on a permanent basis, the recording of contracts awarded to and actions taken to comply with regulations pertaining to Section 3.

The City of Sioux Falls will meet the obligations as outlined in 24 CFR 135.32, to the greatest extent feasible, to provide job training, employment, contracting and other economic opportunities to low and very low income residents and companies relative to the expenditure of housing assistance and community development assistance. This will include funded projects of housing rehabilitation, housing construction and other public construction.

Notifying Section 3 Residents

Recruitment of Section 3 residents shall be an ongoing program involving notification of potential self-certifying residents through the City of Sioux Falls website, the local State of South Dakota Job Service office, the local Multi-Cultural Center and Labor Union Temple. In addition, each published construction project bid notice will include a reference relative to the potential of jobs available to certified Section 3 residents and information on how to contact the City Section 3 Coordinator.

The City of Sioux Falls has adopted the prescribed percentage goal of aggregate new hires on qualified construction projects to be Section 3 residents and/or the prescribed percentage of the total contract be subcontracted to Section 3 businesses. It is anticipated that an appropriate number of qualified residents and those willing to begin as unskilled labor will be able to participate in Section 3 qualified labor efforts. A prime contractor may satisfy the aspirational goal hiring requirement through its subcontractors.

The program is not intended to cause the termination of current employees but to provide every effort, to the greatest extent feasible, to employ Section 3 qualified residents and businesses participants before any other person when hiring addition employees for work on Section 3 covered construction projects.

Facilitating Section 3 Residents Training and Development

The Section 3 Coordinator for the City of Sioux Falls will, in order to assist in training and development of Section 3 residents, counsel any contractor intending to hire additional employees. This activity will include the creation of a list of potential employment opportunities for any planned future construction project be it HUD funded or not. The source of potential employees will be from the list of interested and qualified Section 3 residents developed by the ongoing certification process of the coordinator. The intent of the counseling is to provide continuing employment with contractors and sub-contractors following completion of projects funded by HUD.

The contractors hiring certified Section 3 residents will furnish names of those residents and the skills available in order to provide a pool for future positions that are known to the coordinator. This also provides a one-stop source from which to recruit qualified residents in addition to their own required outreach and expands the potential for employment to non-HUD funded construction projects.

The coordinator will be available, by appointment, to assist any Section 3 qualified resident to complete a job readiness assessment. Upon completion of the readiness assessment the Section 3 Coordinator will determine if the applicant meets the eligibility requirements. Those not being deemed ready for employment will be referred to agencies better equipped to address the applicant's needs.

The coordinator will in addition be available to assist the certified resident in preparing for and completing a job interview if required. The coordinator will follow up to determine if the resident was hired or identify reasons for rejection and if possible provide assistance to overcome potential employer's objections. Supportive services, counseling, dispute resolution and other employment retention assistance will be provided to the greatest extent possible.

Notifying Potential Section 3 Contractors

The City of Sioux Falls will utilize the following methods to notify and contact Section 3 business concerns of existing contracting opportunities:

- Advertise planned projects via newspaper, with mailings and notices to construction associations. These communications will provide information about work to be contracted, where to obtain additional information and how to certify as a Section 3 business.
- Provide timely notice of construction project bidding to Section 3 businesses.
- Conduct pre-bid meetings providing detailed information on all upcoming construction bids. These meetings to be attended by the Section 3 coordinator or a person designated to act in that capacity. These meetings will provide orientation to bidders on the requirements relative to Section 3 subcontractors and residents.
- Contact City of Sioux Falls contractor associations and local Small Business Administration offices of upcoming construction bids and request assistance in identifying Section 3 businesses.
- Develop referral sources to ensure job readiness through on the job training and mentoring for Section 3 residents requiring assistance.
- Develop referral sources to assist Section 3 residents to start businesses and learn bidding techniques, to develop contracts and obtain licenses, bonding and insurance.

Awarding Contracts to Section 3 Business Concerns

Each qualified contractor bidding on construction projects funded wholly or in part by HUD funds will self-certify as a Section 3 business. In addition bidders, qualified as Section 3 businesses or not, will provide employees, hired within the last three years, forms whereby they may self-certify as Section 3 residents. Low and very low income persons residing in the four county metropolitan statistical area (Lincoln, Minnehaha, McCook and Turner counties, South Dakota) seeking preference in training and employment will be notified that they are eligible to self-certify as Section 3 residents when they register with the State of South Dakota Employment Service or with any of the construction trade union groups or contact the Community Development office.

This will be accomplished by completion of the certification form and attachment of adequate proof of Section 3 eligibility. (See Exhibit 4 – Section 3 Participant Eligibility for Preference Form). All bidding contractors shall be provided with a copy of this

Section 3 Plan by inclusion in all project bid packets along with certification forms for Section 3 residents. This plan will be available on the City of Sioux Falls website and from the Section 3 Coordinator.

The Community Development Department will create, maintain and expand, to the greatest extent possible, a listing of both Section 3 qualified business enterprises and residents. This databank will be available to all bidding entities planning to bid as general contractors, subcontractors and to add employees to work on Section 3 covered projects.

Incorporation of Section 3 Clause

The City of Sioux Falls has adopted this Section 3 Contracting Policy to be included in contracts for all construction projects generated by the use of HUD funding. This plan includes goal requirements for awarding contracts to Section 3 business concerns and the hiring of Section 3 qualified residents. The aspirational goal for inclusion of state certified Disadvantaged Businesses Enterprises (DBE) is separate but remains applicable to all contracts for construction projects funded by HUD.

The City of Sioux Falls will develop a database, to the greatest extent possible, listing eligible qualified Section 3 business concerns with respect to availability of construction opportunities. These Section 3 certified, residential oriented construction firms will be individually notified by mail of upcoming construction bidding for the purpose of determining job vacancies and skills required to assist in providing training to Section 3 residents. Certifications for Section 3 status for business concerns must be submitted to the Section 3 Coordinator prior to the submission of bids for approval. If a business has been previously approved, certification may be submitted with the bid.

All contractors and sub-contractors whose total contracts are in excess of \$100,000.00 must complete and return Form K to the Section 3 Coordinator for the City of Sioux Falls prior to the issuance of the final payment. The Form K to be completed may be found in any bid packet for projects resulting in contracts at or exceeding the threshold level.

In order for the City of Sioux Falls to provide Section 3 preference to bidding contractors, self-certification forms will be submitted with all bids on HUD funded construction as acknowledgement of the Section 3 contracting and employment provisions. These self-certification forms are included in all covered project bid packets and are for both Section 3 businesses and residents. Each bidder, general contractor and sub-contractor, will submit an Employment Needs form (Exhibit 7) indicating jobs that will be utilized, the number of positions expected to be required, total hours expected for the project by job, current employee count and estimated positions to be filled.

Section 3 Numerical Goals

It is the policy of the City of Sioux Falls to utilize, to the greatest extent possible, self-certified Section 3 residents and businesses in all contracts for housing construction, rehabilitation and public construction projects funded wholly or in part by Department of Housing and Urban Development (HUD) funding. The Department of Community Development has adopted a goal of 10% of the project's total contract dollars; this goal is to apply to all projects without regard to the project's estimated cost. A goal of 30% of aggregate new hires is the employment goal for all projects to be in compliance with Section 3 requirements. New hires by sub-contractors may satisfy the general contractor's achievement of these goals. (Reference 24 CFR135.30 –Numerical goal for meeting the greatest extent feasible requirement).

Contractors submitting bids for projects involving HUD funding and the Department of Community Development of the City of Sioux Falls will self-certify as Section 3 businesses if qualified. Both non-qualified and qualified Section 3 businesses will distribute employee certification forms to be submitted to the City of Sioux Falls Section 3 Coordinator. Contractors not meeting the aspirational goal for a project must provide a written explanation as to why the goal was not attained. The Section 3 Contract Clause, shown as Exhibit 1, specifies the requirements utilized on all covered projects and will be included in all covered contracts.

The City of Sioux Falls in compliance with Section 3 regulations, will require contractors and subcontractors to direct efforts toward Section 3 business concerns that are 51% or more owned by a Section 3 resident or whose permanent, full-time workforce includes no less than 30% Section 3 residents or that subcontract in excess of 25% of the total dollar amount of subcontracts to Section 3 business concerns.

Goal Achievement

The City of Sioux Falls, through its Section 3 Coordinator will assist contractors lacking experience, to achieve Section 3 hiring and contracting goals. This goal achievement will be done by the coordinator providing:

- A list of interested and qualified Section 3 residents for construction projects.
- A list of interested and qualified Section 3 business concerns.
- Information to contractors of known concerns affecting Section 3 residents performance of job related duties.
- A review of the Section 3 program and its components with contractors and subcontractors to ensure the requirements are understood.
- Publicizing the availability of positions with contractors or their sub-contractors.
- Providing all possible assistance and counseling in job placement, interviews and applications.

Reporting

The City of Sioux Falls requires that general contractors and subcontractors will report monthly to the Section 3 Coordinator on new hires for the period. (See Exhibit 3)

The City of Sioux Falls will report annually, on HUD-60002, the annual accomplishments regarding employment and other economic opportunities provided to low and very low income persons under Section 3.

INTERNAL SECTION 3 COMPLAINT PROCEDURE

In order to resolve possible complaints due to non-compliance the City of Sioux Falls requires the submission of any complaint to its Section 3 Coordinator:

- Complaints of non-compliance will be filed in writing, containing the name of the complainant and description of the alleged violation of 24 CFR 135.
- Complaints must be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.
- The Section 3 Coordinator will conduct a thorough, informal investigation allowing all interested parties to submit written testimony or evidence relative to the complaint.
- The Section 3 Coordinator will provide written documentation of the findings of the investigation to the City of Sioux Falls Director of the Community Development Department. The director will review the findings for accuracy and completeness and make available his findings within thirty (30) days after the filing of the complaint.

Complainants may have their concerns considered outside of the City of Sioux Falls by filing a complaint with:

Assistant Secretary for Fair Housing and Equal Opportunity
United States Department of Housing and Urban Development
451 Seventh Street, SW
Washington, DC 20410

Such complaint must be received not later than 180 days from the date of the action or omission upon which the complaint is based. Time for filing may be extended by the Assistant Secretary for good cause shown.

DEFINITIONS

Applicant – Any entity making application for Section 3 covered assistance, including but not limited to, any state, local government, public housing agency, public or private non-profit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, corporation, resident council or cooperative association.

Assistant – The Assistant Secretary for Fair Housing and Equal Opportunity.

Business Concern – a business entity formed in accordance with state law and which is licensed under state, county or municipal law to engage in the type of business activity for which it was formed.

Contractor – any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance or for work in connection with a Section 3 covered project.

Employment Opportunities Generated by Section 3 Covered Assistance – all employment opportunities generated by the expenditure of Section 3 covered public assistance (i.e. operating, development or modernization assistance as described in Section 135.3 (a) (1)).

Low Income Person – Area households whose incomes do not exceed 80 per cent of the median family income for that family size.

Metropolitan Area – A Metropolitan Statistical Area (MSA) as established by the Office of Management and Budget. Sioux Falls, SD is the four county area of Lincoln, Minnehaha, Turner and McCook.

New Hires – Employees added for permanent, temporary or seasonal opportunities.

Recipient – any entity receiving Section 3 covered assistance directly or from others. This does not include the ultimate beneficiary under the HUD program.

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

Section 3 Covered Assistance - Assistance provided under any HUD housing or community development program that is expended for work in connection with housing rehabilitation, construction or other public construction project regardless of ownership.

Section 3 Clause – The contract provisions set forth in Section 135.38.

Section 3 Covered Contracts – Contract or subcontract, including professional service contracts, awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance. Contracts for material are covered contracts only if the installation of those materials is included.

Metropolitan Area – A Metropolitan Statistical Area (MSA) as established by the Office of Management. The Sioux Falls area is the four counties of Lincoln, Minnehaha, McCook and Turner Counties in South Dakota.

New Hires – Full time employees engaged for permanent temporary or seasonal employment opportunities.

Recipient – Any entity receiving Section 3 covered assistance, directly for HUD or from another recipient. This includes, but is not limited to, any state unit of local government, other public body, public or private nonprofit 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. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

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

Section 3 Business Concern – a business concern;

1. That is 51 percent or more owned by a Section 3 resident: or
2. Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
3. That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded, to business concerns that meet the qualifications set forth in paragraph 1 or 2 above.

Section 3 Covered Assistance – Assistance provided under any HUD housing or community development program that is expended for work arising in connection with housing rehabilitation, construction or other public construction project. This may include other buildings or improvements, regardless of ownership.

Section 3 Clause – The contract provisions set forth in Section 135.38.

Section 3 Covered Contracts – A contract or subcontract, including professional service contracts, 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 awarded under HUD's procurement program which is governed by the Federal Acquisition Regulation (FAR). Contracts for the purchase of supplies and materials are not included unless a contract for materials includes the installation of those materials.

Section 3 Covered Project – Construction, reconstruction, conversion or rehabilitation of housing, including reduction and abatement of lead-based paint hazards, other public construction which includes buildings or improvements assisted with housing or community development assistance derived from HUD.

Section 3 Resident – An individual residing in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and is considered to be a low to very low income person.

Subcontractor – An entity, other than an employee, which has a contract with the contractor to undertake a portion of the contractor’s obligation for the performance of work generated by the expenditure of Section 3 covered assistance or arising in connection with a Section 3 covered project.

Very Low Income Person – Single individuals or families whose income does not exceed 50 per cent of the median family income for the area as determined by the Secretary and adjusted for family size.

Section 3 Clause

All Section 3 covered contracts shall include the following clause referred to as the Section 3 Clause.

- A. This contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Section3), as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance and HUD assisted projects shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons receiving assistance for housing.
- B. Parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 135, which implements Section 3. By execution of this contract the parties certify they are under no contractual or other impediment that prevents the complying with Part 135 regulations.
- C. The contractor agrees to send to each labor organization, representative or 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 for both employees and applicants for training and employment positions.
- D. All contractors agree to include this Section 3 clause in all subcontracts subject to compliance with the regulations in 24 CFR Part 135 and agree to take appropriate action, as provided, upon a finding that any subcontractor is in violation of the regulations in 24 CFR Part 135. Contractors will not subcontract with any

subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations.

- E. All contractors will certify that any vacant employment positions, including training position, 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 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 135 may result in sanctions, termination of contracts and debarment or suspension from future HUD assisted contracts

SECTION 3 CONTRACT CLAUSE

All Section 3 covered contracts will include the following clause (referred to as the Section 3 Clause).

- A. Work being 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 being to ensure that employment and other economic opportunities generated by HUD assistance, to the greatest extent feasible, be directed to low and very low income persons.
- B. The parties to this contract agree to comply with HUD's regulations as specified in 24 CFR Part 135, which implement Section 3. By execution of this contract the parties certify that they are under no contractual or other impediment that would prevent them from complying with the applicable regulations.
- C. All contractors involved with this contract agree 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 of the contractor's commitments under this Section 3 clause. In addition the contractor will post copies of the notice in conspicuous locations on the work site where both employees and applicants for training and employment may see the notice. The notice will describe the Section 3 preference, set forth the minimum number and job titles subject to hire, availability of apprenticeship and training positions, qualifications for each and the name and location of the person taking applications for each of the positions and anticipated date work will 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 for in the contract or this Section 3 clause, upon finding the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any company when he has notice or knowledge that the potential subcontractor has been in violation of the regulation.
- E. The contractor will certify that any vacant positions filled after the contractor was selected but before the contract was executed with persons other than those covered by the regulations was not done in order to circumvent the contractor's obligations un 24 CFR Part 135.
- F. Noncompliance with the regulations may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

ASSURANCE OF COMPLIANCE

TRAINING, EMPLOYMENT AND CONTRACTING OPPORTUNITIES FOR
BUSINES AND LOWER INCOME PERSONS.

The project assisted under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12U.S.C. 170U. Section 3 requires that opportunities for training and employment be given, to the greatest extent feasible, to lower income residents of the Sioux Falls Metropolitan Statistical Area and contracts for work in connection with the project be awarded to business concerns which are located in or owned by persons residing in the area of the project.

Notwithstanding any other provision of this contract, the undersigned shall carry out the provisions of Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 135 and all applicable rules and orders of the Secretary issued prior to the execution of this contract. The requirements of the regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned by persons residing in the area of the project, the making of a good faith effort, as defined by the regulation, to provide training, employment and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.20(b) of the regulations in all contracts for work in connection with the project. It is certified and agreed that there are no conditions preventing compliance with these requirements.

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135 and all applicable rules and orders of the Secretary issued prior to approval by the government of the application for this contract shall be a condition of the federal financial assistance provided to the project. Failure to fulfill these requirements shall subject all parties to sanctions specified by the contract and to such sanctions as are specified by 24 CFR Part 135.

SIGNATURE: _____

PRINTED NAME: _____

ADDRESS: _____

DATE: _____ Exhibit 3

**CITY OF SIOUX FALLS
SECTION 3**

NEW HIRES SECTION 3 MONTHLY COMPLIANCE FORM

This form is to be completed, signed and returned to the City of Sioux Falls Section 3 Coordinator monthly by the general contractor and all sub-contractors participating in this project.

Mail, email or fax to:

Bill Hassler
P.O. Box 7402
Sioux Falls, SD 57117-7402
Fax Number: 605/367-4599
Email: whassler@siouxfalls.org

Project Name: _____

Project Address: _____

____ No new hires were added this period.

____ New hires added this period were ____ Section 3 employees ____ Non-Section 3

Described below are actions taken this period to recruit Section 3 qualified residents for open positions. (Suggested activities are: Contact SD Employment Services, trade unions, advertised job availability)

Exhibit 4

REQUEST FOR CONSIDERATION SECTION 3 BUSINESS CONCERN

Use of this form is optional and should only be submitted if your company meets one of the criteria options below, AND desires to be considered as a Section 3 business concern.

Purpose: Section 3 of the Housing and Urban Development Act of 1968, amended by the Housing and Community Development Act of 1992, was enacted to ensure that the contracting opportunities created by HUD-assisted housing and community development programs, to the greatest extent feasible, be directed toward Section 3 business concerns in the area of the project. Section 3 dictates that those firms who a) demonstrate sufficient ability to perform successfully under the terms and conditions of the proposed contract (consideration of the contractor's record in complying with public policy requirements), and b) meet the guidelines for Section 3 business concerns be granted preference in contracting. If your firm wishes to be considered for Section 3 contracting preference, please certify eligibility below. If your firm does not meet the guidelines or does not wish to be considered, please indicate that fact below. **Be accurate and truthful.** All information may be verified, and inaccuracies will affect your eligibility.

Definitions: Section 3 residents are defined as those who live in the project area and meet the income per household size guidelines listed below. Household size is determined by the total number of persons who reside in the home. Annual income is determined by the total wages received by **ALL** members of the household, plus **ALL** other incomes, such as child support, unemployment compensation, social security, disability, alimony, etc.

Income Guidelines for Section 3 Residents (annual income):

- | | |
|--|---|
| <input type="checkbox"/> 1 person, and my income is less than \$38,050. | <input type="checkbox"/> 5 person., and our income is less than \$58,650. |
| <input type="checkbox"/> 2 person, and our income is less than \$43,450. | <input type="checkbox"/> 6 person, and our income is less than \$63,000. |
| <input type="checkbox"/> 3 person, and our income is less than \$48,900. | <input type="checkbox"/> 7 person , and our income is less than \$67,350. |
| <input type="checkbox"/> 4 person and our income is less than \$54,300. | <input type="checkbox"/> 8 person, and our income is less than \$71,700. |

To be considered an eligible Section 3 business concern, you must meet one of the criteria listed below. Please indicate which are applicable:

Option

- 1. Are 51% or more owned by Section 3 residents (as described above); or
- 2. Have permanent, full-time employees, at least 30% of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or,
- 3. Provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to Section 3 business concern.
- 4. We do not meet any of the criteria.
- We do not wish to be considered as a Section 3 business.

We are located in the Sioux Falls metropolitan area Yes No

I certify that the above statements are accurate and true.

Date _____

Firm Name _____

Title _____

Signature _____

Note: Please provide the below information in relationship to the majority ownership entity of the business concern. This information is optional and is used for statistical purposes only. It will not be used in contracting considerations.

Owner is:

- | | | |
|--|---|---|
| <input type="checkbox"/> Handicapped or Disabled | <input type="checkbox"/> White | <input type="checkbox"/> American Indian or Alaska Native AND White |
| <input type="checkbox"/> Male | <input type="checkbox"/> American Indian or Alaska Native | <input type="checkbox"/> Asian AND White |
| <input type="checkbox"/> Female | <input type="checkbox"/> Black or African American | <input type="checkbox"/> Black or African American AND White |
| Ethnicity – Please check one | <input type="checkbox"/> Asian | <input type="checkbox"/> Other more than one race |
| <input type="checkbox"/> Hispanic or Latino | <input type="checkbox"/> Native Hawaiian or Other Pacific Islander | |
| <input type="checkbox"/> Not Hispanic or Latino | <input type="checkbox"/> American Indian or Alaska Native AND Black or African American | |

Exhibit 5

SECTION 3 BUSINESS EMPLOYEE CERTIFICATION

Use this form only if your company desires to be considered as a Section 3 business concern and you are applying under the category pertaining to the number of employees at or below 80 percent of the median income.

Federal regulations require that we maintain some generalized income data about our employees. The list below refers to the income amount considered to be 80 percent of the median income for the City of Sioux Falls, for specific household sizes, according to the listed HUD information. Household size is determined by the total number of persons who reside in the home. Annual income is determined by the total wages received by all members of the household, plus all other income such as child support, unemployment compensation, social security, disability, alimony, etc. Locate your household size, and note the income amount specified for it. Please indicate whether your annual income is above or below that amount. Please be accurate and truthful.

1 person.....	\$38,050
2 person.....	\$43,450
3 person.....	\$48,900
4 person.....	\$54,300
5 person.....	\$58,650
6 person.....	\$63,000
7 person.....	\$67,350
8 person.....	\$71,700

BELOW

 ABOVE

I live in the Sioux Falls metropolitan area: (South Dakota Counties of Minnehaha, Lincoln, Turner & McCook)

Yes

No

Thank you for your cooperation.

Date _____

Print Full Name _____

Signature _____

Note: Please check the appropriate information below concerning yourself as the employee. This information is optional and used for statistical purposes only.

- | | | |
|--|---|---|
| <input type="checkbox"/> Handicapped or Disabled | <input type="checkbox"/> White | <input type="checkbox"/> American Indian or Alaska Native and White |
| <input type="checkbox"/> Male | <input type="checkbox"/> American Indian or Alaska Native | <input type="checkbox"/> Asian AND White |
| <input type="checkbox"/> Female | <input type="checkbox"/> Black or African American | <input type="checkbox"/> Black or African American AND White |
| Ethnicity – Please check one | <input type="checkbox"/> Asian | <input type="checkbox"/> Other more than one race |
| <input type="checkbox"/> Hispanic or Latino | <input type="checkbox"/> Native Hawaiian or Other Pacific Islander | |
| <input type="checkbox"/> Not Hispanic or Latino | <input type="checkbox"/> American Indian or Alaska Native AND Black or African American | |

Exhibit 6

REQUEST FOR CONSIDERATION – SECTION 3 RESIDENT

Use of this form is optional. This form may be used to certify prospective employees that wish to be considered Section 3 residents as stipulated below.

Purpose: Section 3 of the Housing and Urban Development Act of 1968, amended by the Housing and Community Development Act of 1992, was enacted to ensure that the economic opportunities created by HUD assisted housing and community development programs, to the greatest extent feasible, be directed toward low- and very low-income persons who reside in the area of the project. Section 3 dictates that those who a) are most qualified for the job, and b) meet the income guidelines for Section 3 residents be granted preference in hiring. **If you wish to be considered for Section 3 hiring preference, please answer questions 1 and 3.** If you do not wish to be considered, please answer questions 2 and 3.

Directions: Household size is determined by the total number of persons who live in your home. Annual income is determined by the total wages received by all members of the household, plus all other incomes, such as child support, unemployment compensation, social security, disability, alimony, etc. Find your household size below. If your annual income is **less** than the amount indicated for your household size, check that box. If all other hiring qualifications are met, you will be given hiring preference as a Section 3 resident. **Be accurate and truthful.** Inaccuracies will affect your eligibility.

1. My household size is:

- | | |
|--|--|
| <input type="checkbox"/> 1 person, and my income is less than \$38,050. | <input type="checkbox"/> 5 person, and our income is less than \$58,650 |
| <input type="checkbox"/> 2 person, and my income is less than \$43,450. | <input type="checkbox"/> 6 person, and our income is less than \$63,000 |
| <input type="checkbox"/> 3 person, and my income is less than \$48,900. | <input type="checkbox"/> 7 person, and our income is less than \$67,350 |
| <input type="checkbox"/> 4 person, and my income is less than \$54,300. | <input type="checkbox"/> 8 person, and our income is less than \$71,700. |
| <input type="checkbox"/> My income exceeds that listed for my family size. | |

2. I do not wish to be considered for Section 3 hiring preference.

3. I live in the Sioux Falls metropolitan area. (South Dakota Counties of Minnehaha, Lincoln, McCook & Turner) YES NO

I certify that the statements made above are accurate and true.

Date _____

PRINT FULL NAME

SIGNATURE

NOTE: Providing the information below is optional, and will be used for statistical purposes only, it will not be used in hiring considerations.

- | | | |
|--|---|---|
| <input type="checkbox"/> Handicapped or Disabled | <input type="checkbox"/> White | <input type="checkbox"/> American Indian or Alaska Native and White |
| <input type="checkbox"/> Male | <input type="checkbox"/> American Indian or Alaska Native | <input type="checkbox"/> Asian AND White |
| <input type="checkbox"/> Female | <input type="checkbox"/> Black or African American | <input type="checkbox"/> Black or African American AND White |
| Ethnicity – Please check one | <input type="checkbox"/> Asian | <input type="checkbox"/> Other more than one race |
| <input type="checkbox"/> Hispanic or Latino | <input type="checkbox"/> Native Hawaiian or Other Pacific Islander | |
| <input type="checkbox"/> Not Hispanic or Latino | <input type="checkbox"/> American Indian or Alaska Native AND Black or African American | |

Exhibit7			EMPLOYMENT NEEDS			
Project Address:			Contractor:			
Job Categories Required	Number of Positions	Total Hours Expected in Project	Current Total	Current Total of Section 3 Employees	Number of Jobs to be Filled	
			on Payroll			