

SECTION 3 CLAUSE

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 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.

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 that 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).

STATEMENT OF WORK FORCE NEEDS

(See following for instructions)

 Preliminary (Anticipated) Final (Completion)

PROJECT: _____

Contract No. _____

CDBG No. _____

Part I: Employment and Training

| A. Job Category | NEW HIRES FOR THIS PROJECT | | | AGGREGATE WORK FORCE | |
|-----------------------------------|------------------------------|----------------------------------|--|---|------------------------------------|
| | B. Total Number of New Hires | C. No. of Lower Income New Hires | D. % of Total Staff Hours of New Hires that are Lower Income | E. % of Total Staff Hours for Lower Income Employees & Trainees | F. Number of Lower Income Trainees |
| Professionals | | | | | |
| Technicians | | | | | |
| Office/Clerical | | | | | |
| Construction by Trade (List Trade | | | | | |
| Trade | | | | | |
| Trade | | | | | |
| Trade | | | | | |
| Trade | | | | | |
| Trade | | | | | |
| Other (List) | | | | | |
| | | | | | |
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| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

BIDDER: _____

BY: _____ DATE: _____

TITLE: _____

Page ____ of ____

STATEMENT OF WORK FORCE NEEDS

(See following for instructions)

 Preliminary (Anticipated) Final (Completion)

PROJECT: _____

Contract No. _____

CDBG No. _____

Part II: Contracts Awarded**1. Construction Contracts**

| | |
|---|----|
| A. Total dollar amount of all contracts awarded on the project | \$ |
| B. Total dollar amount of contracts awarded to Section 3 businesses | \$ |
| C. Percentage of total dollar amount that was awarded to Section 3 businesses | % |
| D. Total number of Section 3 businesses receiving contracts | |

2. Non-Construction Contracts

| | |
|--|----|
| A. Total dollar amount of non-construction contracts awarded on the project | \$ |
| B. Total dollar amount of non-construction contracts awarded to Section 3 businesses | \$ |
| C. Percentage of total dollar amount that was awarded to Section 3 businesses | % |
| D. Total number of Section 3 businesses receiving non-construction contracts | |

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by this project, to the greatest extent feasible, toward low and very-low income persons, particularly those who are recipients of government assistance for housing. (Check all that apply)

_____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the County, or similar methods.

_____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

_____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

_____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the project is located.

_____ Other; describe below.

BIDDER: _____

BY: _____ DATE: _____

TITLE: _____

Page ____ of ____

INSTRUCTIONS FOR STATEMENT OF WORK FORCE NEEDS

(also see page EMPO-3 in the project specifications)

This form must be completed and submitted by the Bidder prior to award of the Contract. Award may be expedited if the form is submitted with the Bid. Failure to submit the form prior to award will result in rejection of the bid.

The form will also be submitted by the Prime Contractor upon completion of the project.

When submitting with bid or prior to award, enter anticipated work force needs. When submitting at project completion, enter actual work force used.

Contractors on this project are subject to Section 3 requirements and must maintain appropriate documentation to establish that HUD financial assistance for the project was directed toward low- and very-low income persons.*

Part I: Employment and Training

| | |
|--|--|
| A. Job Category | For construction positions, list each trade and provide data in Columns B-F for each trade where persons were employed. |
| B. Number of New Hires | Enter the number of new hires for each category of workers identified in Column A. New hire refers to a person who is not on the contractor's payroll for employment at the time of Selection for the Section 3 covered award. |
| C. Number of Lower Income New Hires | Enter the number of lower income new hires for each category of workers identified in Column A. |
| D. Percentage of Lower Income New Hire Staff Hours | Enter the percentage of all the staff hours of new hires worked by lower income new hires. Include staff hours for part-time and full-time positions. |
| E. Percentage of Total Staff Hours for Lower Income Employees & Trainees | Enter the percentage of the total staff hours worked by lower income employees and trainees. Include staff hours for part-time and full-time positions. |
| F. Number of Lower Income Trainees | Enter the number of lower income persons that were trained in connection with this project. |

Part II: Construction Contracts

Where referenced, Section 3 businesses are defined in HUD's regulations at 24 CFR 135 as businesses which meet at least one of the criteria listed below:

1. A business that is at least 51 percent owned by Section 3 residents.
2. A business whose permanent, full-time employees include persons, 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.
3. A business that provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in criteria 1 or 2.

Part III: Summary of Efforts - Self-explanatory

* For purposes of this Section 3 covered project, "lower income residents" means any individual who resides within the area of a Section 3 covered project, and whose family income does not exceed that shown in the table below.

| PROJECT AREA FRESNO COUNTY | NUMBER OF PERSONS IN FAMILY | | | | | | | |
|-------------------------------|-----------------------------|--------|--------|--------|--------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 80% of Median Income= | 32,050 | 36,600 | 41,200 | 45,750 | 49,450 | 53,100 | 56,750 | 60,400 |