

**Certification for Business Concerns Seeking Section 3 Business Preference in Contracting and Demonstration of Capability**

Firm's Legal Name: \_\_\_\_\_

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

Check appropriate box: ☐ Individual/Sole Proprietor ☐ Corporation ☐ Partnership  
☐ Limited Liability Company (LLC). Enter tax classification \_\_\_\_\_  
(D=Disregarded Entity, C=Corporation, P=Partnership)  
☐ Other: (Indicate) \_\_\_\_\_

ATTACHED IS THE FOLLOWING DOCUMENTATION AS EVIDENCE OF STATUS:

FOR BUSINESSES CLAIMING STATUS AS A SECTION 3 RESIDENT-OWNED ENTERPRISE:

☐ Copy of resident lease    ☐ Other evidence    ☐ Copy of evidence of participation in a public assistance program

FOR THE BUSINESS ENTITY, AS APPLICABLE:

<input type="checkbox"/> Copy of Articles of Incorporation	<input type="checkbox"/> Certificate of Good Standing
<input type="checkbox"/> Assumed Business Name Certificate	<input type="checkbox"/> Partnership Agreement
<input type="checkbox"/> List of owners/stockholder and % of each	<input type="checkbox"/> Corporation Annual Report
<input type="checkbox"/> Latest Board minutes appointing officers	<input type="checkbox"/> Additional documentation
<input type="checkbox"/> Organization chart with names and titles and brief functional statement	

**For business claiming Section 3 status by subcontracting 25% of the dollar awarded to qualified Section 3 business:**

☐ List of subcontracted Section 3 business and subcontract amount

**For business claiming Section 3 status, claiming at least 30% of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:**

<input type="checkbox"/> List of all current full time employees	<input type="checkbox"/> List of all employees claiming Section 3 status
<input type="checkbox"/> PHA Residential lease (less than 3 years from date of employment)	<input type="checkbox"/> Other evidence of Section 3 status (less than 3 years from date of employment)

**Evidence of ability to perform successfully under the terms and conditions of the proposed contract:**

<input type="checkbox"/> Current financial statement	<input type="checkbox"/> List of owned equipment
<input type="checkbox"/> Statement of ability to comply	<input type="checkbox"/> List of all contracts for the past 2 years with public policy



Signature \_\_\_\_\_

Notary \_\_\_\_\_

Printed Name \_\_\_\_\_ / /  
Date (mm/dd/yr)

My term expires: \_\_\_\_\_

Title \_\_\_\_\_

NOTARY  
SEAL:



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**SUGGESTED AFFIRMATIVE ACTION PLAN FOR UTILIZATION OF PROJECT AREA BUSINESSES:**

Number of All Contracts Proposed: \_\_\_\_\_

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

Dollar Value of All Contracts Proposed: \_\_\_\_\_

Project: \_\_\_\_\_

To The Greatest Extent Feasible, Contracts Will Be Awarded Through Negotiation or Bid to Qualified Project Area Businesses.

**GOAL OF THESE CONTRACTS FOR PROJECT AREA BUSINESSES:**

PROPOSED TYPE OF CONTRACT	APPROX. COST	PROPOSED TYPE OF CONTRACT	APPROX. COST
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$

**OUTLINE THE PROGRAM TO ACHIEVE THESE GOALS FOR ECONOMICALLY AND SOCIALLY DISADVANTAGED:**

BEGIN TYPING HERE: \_\_\_\_\_

**NOTE: TO COMPLETE THE AFFIRMATIVE ACTION PLAN, FOLLOW STEPS OUTLINED IN ATTACHED EXHIBIT. INSERT THIS DOCUMENT IN YOUR HARD COPY PROPOSAL BEHIND THE DESIGNATED TAB NUMBER FOR SECTION 3).**

**SUGGESTED SECTION 3 PRELIMINARY WORKFORCE STATEMENT UTILIZATION OF LOWER INCOME PROJECT AREA RESIDENTS AS REGULAR, PERMANENT EMPLOYEES, TRAINEES, APPRENTICES.**

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

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

Project: \_\_\_\_\_

	PRESENT PERMANENT EMPLOYEES (At Time of Contract Signing)	SECTION 3 WORKFORCE PROJECTION (Residents)	TOTAL PROJECTED WORKFORCE INCREASE
APPRENTICES			
JOURNEYPERSONS			
LABORERS			
SUPERVISORY			
SUPERINTENDENT			
PROFESSIONAL			
CLERICAL			

**NOTE: RESIDENTS ARE THOSE LOWER INCOME PROJECT AREA RESIDENTS WHO HAVE BEEN QUALIFIED AS ELIGIBLE.**



Signature

/ /  
Date (mm/dd/yr)

Printed Name

Title

HOUSING AUTHORITY OF THE CITY OF BREMERTON (BHA)

**SECTION 3 BUSINESS PREFERENCE CLAUSE**

***This contract is subject to the following conditions under Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3).***

- 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 or 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 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 (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 Enterprise. 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).

## PREFERENCE FOR SECTION 3 BUSINESS CONCERNS IN CONTRACTING OPPORTUNITIES

To comply with the Act BHA is required, and also requires its contractors, to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability, veteran's or marital status, or economic status and to take affirmative action to ensure that both job applicants and existing employees are given fair and equal treatment.

BHA, in accordance with applicable laws and regulations, has established goals in order to comply with Section 3 requirements. The goals are:

1. 30% of the aggregate number of new hires in any fiscal year should be Section 3 eligible;
2. 10% of all construction contract dollars to Section 3 Businesses; and
3. 3% of all other contracts collars to Section 3 Businesses.

BHA has established the following priority for preference when providing contracting opportunities to Section 3 Businesses:

**Priority I: Category 1 Business**

Residents of the BHA housing development(s) for which the contract shall be expended.

**Priority II: Category 2 Business**

Residents of other BHA properties and BHA clients in other BHA programs.

**Priority III: Category 3 Business**

All other residents residing in BHA's jurisdiction who meet the income guidelines for the Section 3 preference.

**Eligibility for Preference**

A business concern seeking to qualify for a Section 3 contracting preference shall certify or submit evidence that the business concern is a Section 3 business concern.

**HUD directs within 24 CFR 135 that the HA may make award to qualified Section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid is:**

- (a) Within the maximum total contract price established by the HA; or
- (b) Not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder, where "X" is the lesser of:

When the lowest responsive bid is less than \$100,000	10% of that bid, or \$9,000.00
When the lowest responsive bid is at least: \$100,000.00, but less than \$200,000.00	9% of that bid, or \$16,000.00
\$200,000.00, but less than \$300,000.00	8% of that bid, or \$21,000.00
\$300,000.00, but less than \$400,000.00	7% of that bid, or \$24,000.00
\$400,000.00, but less than \$500,000.00	6% of that bid, or \$25,000.00
\$500,000.00, but less than \$1,000,000.00	5% of that bid, or \$40,000.00
\$1,000,000.00, but less than \$2,000,000.00	4% of that bid, or \$60,000.00
\$2,000,000.00, but less than \$4,000,000.00	3% of that bid, or \$80,000.00
\$4,000,000.00, but less than \$7,000,000.00	2% of that bid, or \$105,000.00
\$7,000,000.00, or more	1.5% of the lowest responsive and responsible bid with no dollar limit