**Section 3 Participation Plan**

**Fair and Equitable Housing Office (FEHO)**

**\*\*\*\*To be approved to HCR *PRIOR* to finalization of funding contract\*\*\*\***

This form sets forth the plans that a Section 3 Project will undertake to implement Section 3 hiring and contracting goals. Section 3 is a provision of the federal Housing and Urban Development (HUD) Act of 1968 that requires, to the greatest extent feasible, that recipients of certain HUD financial assistance provide job training and employment opportunities to low-income residents in connection with projects and activities in their neighborhoods.

This Participation Plan must be completed by both the Awardee of the HUD funds (i.e., the Developer/Sponsor/ Owner, local municipality or non-profit program administrator, as applicable) AND the entity performing the construction work on the project (“General Contractor”) on all housing and public construction projects that receive over $200,000 in certain HUD funds (e.g., HOME, CDBG, federal HTF). The Participation Plan must be approved by New York Homes and Community Renewal’s (NYSHCR) Fair and Equitable Housing Office (FEHO) *before finalization of the funding contract/grant, and before construction can begin on the project.*

More information, including definitions for all terms below, can be found in the Section 3 Policy Manual available here: <https://hcr.ny.gov/section-3-compliance>

**Section 1 – Awardee Identification & Section 3 Applicability**

1. **Awardee of HUD funds (Housing Developer/Owner, Municipality or Non-Profit Local Program Administrator that receives federal funds from NYSHCR)**

**(Company/Entity):** Click here to enter text.

Name of Contact & Title: Click here to enter text.

Address: Click here to enter text.

Phone Number: Click here to enter text.

Email Address: Click here to enter text.

Check All That Apply:  Housing Developer  Owner  Local Govt.  Non-Profit Local Program Administrator

Other. Explain Click here to enter text.

1. **Section 3 Coordinator for Awardee:**

**Company:** Click here to enter text.

Name of Contact & Title: Click here to enter text.

Address: Click here to enter text.

Phone Number: Click here to enter text.

Email Address: Click here to enter text.

1. **Have the HUD funds awarded by NYSHCR to Awardee been designated for one or more Section 3 Projects?** (A Section 3 Project is a housing or public works construction/rehab project that uses over $200,000 in HUD funds (e.g., HOME, CDBG, federal HTF))

YES. *Continue to Section 2.*

NO, not yet. Awardee is still determining whether the HUD funds will be used for a Section 3 Project. Explain: Click here to enter text.

*Continue to Section 3.*

NO, the funds will not be used for a Section 3 Project. Explain: Click here to enter text.

*You may stop completing this form although the Section 3 goals of hiring low-income employees is still strongly encouraged.*

**Section 2 – Section 3 Project Identification**

1. **HUD Funding Amount in Section 3 Project:**

**HUD Funding Type** **(e.g., HOME, CDBG, federal HTF, other):** Enter Type of Funding

**AMOUNT & Granting Agency (e.g. NYS HCR):** Amount(s) ($) & Granting Agency

1. **Section 3 Project Name:** Click here to enter text

**Project Address:** Click here to enter text.

**Brief Description of Project:** Click here to enter text.

1. **General Contractor Carrying out the Construction (if available):** Click here to enter text.

Name of Contact & Title: Click here to enter text.

Address: Click here to enter text.

Phone Number: Click here to enter text.

Email Address: Click here to enter text.

\*NOTE: If a General Contractor is not yet on the Project, the Awardee must ensure that the General Contractor creates its own Participation Plan before construction commences on the project.

**Space for Explanation (if necessary, including whether a Section 3 Project has not been funded yet):**

Click here to enter text.

**Section 3 – Section 3 Goals & Efforts**

Projects subject to Section 3 must, to the greatest extent feasible, provide hiring, training and contracting opportunities to low-income individuals and the companies that hire or are owned by them, particularly in the area where the project is located.

The Benchmark Goals that the Awardee, General Contractor, and their subrecipients and subcontractors (together, “Subs”) must make greatest extent feasible efforts to meet are:

1. **25% of Total Labor Hours on the Project worked by Section 3 Workers, including**
2. **5% of Total Labor Hours on the Project worked by Targeted Section 3 Workers.**

Total Labor Hours include hours worked on the Project by the Awardee, General Contractor and any of their Subs. They *do not include Professional Services labor hours*, which are non-construction services that require an advanced degree of progression licensing including legal services, financial consulting, accounting services, environmental assessments, architectural and engineering services, among others. *Howeve*r, Professional Services labor hours *can* count toward the number of labor hours performed by Section 3/Targeted Section 3 Workers, thereby increasing the percentage of Section/Targeted Section 3 Workers accomplished by the Project.

1. **MANDATORY MINIMUM REQUIREMENTS: Confirm by checking the boxes below that the Awardee, General Contractor and Subs will complete the following mandatory minimum requirements for all Section 3 Projects:**

A. Awardee, General Contractor and their Subs will have a designated Section 3 Coordinator who will be responsible for reporting and documenting the total labor hours, Section 3 labor hours and greatest extent feasible efforts undertaken by the respective entity, as well as conduct training for its staff and its Subs on Section 3 compliance including all the efforts listed below.

B. All hiring and contracting for the Project (including by Subs) will include prioritization for Section 3 Workers and Section 3 Businesses, consistent with other state and federal laws.

C. The Section 3 Contract Clause will be used in all contracts for work on the Project, including with and between Subs. Available here: <https://hcr.ny.gov/S3ContractClause>

D. The “Section 3 Sub Reporting Form and Greatest Extent Feasible Efforts Checklist” will be used by General Contractor and all Subs for each reporting cycle, which Awardee will gather to submit a consolidated report to NYSHCR. Form available here: <https://hcr.ny.gov/S3SubReportingForm>

E. Awardee and its Subs will collect verification of Section 3 Worker status using the HCR Hiring Form to be completed by Applicant/Employee and/or Employer, available here. <https://hcr.ny.gov/section-3-compliance#forms---documents>

F. Awardee and its Subs will collect Section 3 Business Certifications for all Section 3 Businesses working on the Project at or shortly before contract signing with that Section 3 Business. The certification must be dated within 6 months prior to the contract signing. Form available here: <https://hcr.ny.gov/S3BusinessSelfCert>

G. All solicitations or procurement efforts and requests for contractors and subcontractors will include this language: “This is a HUD Section 3 Project with contracting priorities for businesses that hire or are owned by low-income persons.”

H. All job descriptions and job postings for work to be done on the Project by Awardee and its Subs will include this language, “This is a HUD Section 3 Project with hiring priorities for low-income persons.”

I. All job descriptions and job postings for work to be done on the Project by Awardee and its Subs must be posted on the New York State Job Bank here: <https://newyork.usnlx.com/>

J. Awardee and its Subs must contact the NYS Career Center(s) for the region in which the Project is located to notify them about the Project, the jobs that will be made available and a contact person at the Project in charge of hiring. A list of career centers can be found here: <https://dol.ny.gov/career-centers>.

K. Awardee and its Subs must contact the closest YouthBuild program(s) to notify them about the Project, the jobs that will be made available and a contact person at the Project in charge of hiring. YouthBuild organizations are here: <https://youthbuild.org/our-programs/#map>.

L. Awardee and its Subs must contact local Public Housing Authorities and/or Section 8 programs located in project area for posting work opportunities on community bulletin boards, newsletters, websites and physical lobbies. Local PHAs are listed here: <https://www.hud.gov/program_offices/public_indian_housing/pha/contacts>.

M. Project will have a sign visible from the street identifies the name of the project, provides the contractor and/or Section 3 Coordinators contact information and states: “This is a HUD Section 3 Project with hiring and contracting priorities for low-income persons and business that hire or are owned by them.”

N. Staff at the Awardee, the General Contractor and their Subs that are in charge in hiring and contracting for the Project must review the HCR Section 3 Policy Manual, attend a training by HCR or HUD on Section 3 prior to the commencement of construction, and attend periodic additional trainings provided by HCR.

O. Company must have a policy of retaining records related to Section 3 performance and greatest extent feasible efforts, including the Section 3 Hiring Forms for itself and its Subs, for as long as program regulations (e.g. CDBG regulations) require, or where silent, for 3 years after completion of the Project.

1. **Hiring Efforts: List efforts the Awardee, General Contractor and Subs will engage in to hire or retain Section 3 and Targeted Section 3 Workers. Include an explanation if no hiring will be conducted by Awardee or Subs. Examples of efforts can be found in the “Sub Reporting Form & Greatest Extent Feasible Efforts Checklist” available here:** <https://hcr.ny.gov/section-3-compliance>

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| Click here to enter text. |

1. **Contracting Efforts: List efforts the Awardee, General Contractor and Subs will engage in to contract with Section 3 Businesses. Examples can be found in the “Sub Reporting Form & Greatest Extent Feasible Efforts Checklist” available here:** <https://hcr.ny.gov/section-3-compliance>

(Attach pages as necessary)

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| Click here to enter text. |

**Section 4 – Certification**

Awardee and the General Contractor(s) agree to implement the efforts listed in this Participation Plan. Non-compliance with the Section 3 Regulations or this Participation Plan may result in NYS Homes and Community Renewal or the U.S. Department of Housing and Urban Renewal implementing appropriate sanctions and penalties.

In addition, neither Awardee nor General Contractor has previously been found in violation of the requirements of Section 3 for any construction projects completed or currently underway.

The undersigned certify that they have the legal authority on behalf of the Awardee and General Contractor to execute this Section 3 Participation Plan and implement the efforts described herein.

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| . . . . . |  | . . . . . |
| Signature of Awardee |  | Signature of General Contractor \* |
| . . . . . |  | . . . . . |
| Print Name |  | Print Name |
| . . . . . |  | . . . . . |
| Company/Entity & Title |  | Company/Entity & Title |
| . . . . . |  | . . . . . |
| Date |  | Date |
|  |  |  |
| ☐ Check if signing electronically by typing name |  | ☐ Check if signing electronically by typing name |

\*NOTE: If a General Contractor is not yet on the Project, the Awardee must ensure that the General Contractor creates its own Participation Plan before construction commences on the project.

☐ Check if a General Contractor is not yet procured/arranged for the Project.

☐ Confirm that Awardee will ensure that GC completes a Participation Plan for the Project.

Enter anticipated date for a GC joining the Project: Click here to enter text.