

Section 3

Compliance Plan



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TABLE OF CONTENTS

Introduction 3

Section 3 General Provisions 3

 Which projects are covered by Section 3? 3

 Who must ensure compliance with Section 3? 4

 What does Section 3 require?..... 4

 Who is a Section 3 worker? 4

 What is a Section 3 Business Concern?..... 5

 What are NDHFA's responsibilities? 5

 What are the Recipient's responsibilities? 5

 What are the Section 3 Contractor's responsibilities? 6

 What if the Section 3 Benchmarks are not met? 7

 Request for Funds..... 8

 SAM Registration 8

 Debarment Certification 8

Attachments

- Attachment A: Quick Reference
- Attachment B: Entity Profile Package
- Attachment C: Section 3 Work Hours and Outreach Efforts for Each Financial Draw
- Attachment D: Section 3 Worker Certification
- Section 3 Service Area
- SAM.gov Registration Requirements for Contractors

INTRODUCTION

North Dakota Housing Finance Agency (NDHFA) and the entities to which it provides certain U.S. Department of Housing and Urban Development (HUD) funding must comply with Section 3 of the Housing and Urban Development Act of 1968 (Section 3).

The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are beneficiaries of HUD-provided housing assistance or who reside in the communities where the HUD funding is expended.

Entities working on Section 3 Covered Projects, as the term is defined later in this Compliance Plan (Plan), must comply with HUD's Section 3 regulations at 24 CFR Part 75.

This Plan summarizes the Section 3 requirements of 24 CFR Part 75 as they pertain to the HUD programs administered by NDHFA. The Plan outlines what NDHFA and its housing partners must do to comply with Section 3 and identifies the record keeping and reporting requirements which must be met.

SECTION 3 GENERAL PROVISIONS

1. Which projects are covered by Section 3?

A Section 3 Covered Project is any project involving the construction, reconstruction, conversion or rehabilitation of housing or public infrastructure that receives HUD assistance in excess of \$200,000 from any combination of the following programs:

- CDBG (Community Development Block Grant)
- Disaster Recovery
- ESG (Emergency Solutions Grant)
- HOME (HOME Investment Partnerships Program)
- HOPWA (Housing Opportunities for Persons with AIDS)
- HTF (National Housing Trust Fund)
- NSP (Neighborhood Stabilization Program 1, 2 and 3)
- Public Housing Capital Fund
- RAD (Rental Assistance Demonstration)
- Section 202 or 811

Section 3 applies to the entire project regardless of which costs are being paid with the HUD assistance. For example, assume a project combines \$300,000 of HTF funding with \$120,000 of the owner's cash reserves for a total project cost of \$420,000. Even if the developer chooses to pay the \$120,000 contract for heating system replacement with cash reserves, the entire project, including the heating contractor, is required to comply with Section 3.

The project is considered to be the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management and financing.

2. Who must ensure compliance with Section 3?

The following recipients of HUD funding must ensure compliance with Section 3:

- NDHFA and any subrecipient which awards HUD funding on behalf of NDHFA.
- Recipients of HUD assistance including the project's developer, owner or sponsor.
- Contractors and subcontractors:
 - Subcontractors of any tier.
 - Contracts of any size.

The following contracts are exempt from compliance with Section 3:

- Materials-only contracts for the purchase of supplies without installation.
- Contracts, subcontracts, grants or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111).

3. What does Section 3 require?

Section 3 Covered Projects must strive to meet the following Section 3 Benchmarks:

- Twenty-five percent of total labor hours are worked by Section 3 Workers.
- Five percent of total labor hours are worked by Targeted Section 3 Workers.

Hours may be reported based on good-faith estimates.

The Section 3 regulations at 24 CFR Part 75 do not require the employment of Section 3 Workers or the contracting of Section 3 Business Concerns. Section 3 Workers and Section 3 Business Concerns are not exempt from meeting the qualifications for the position or the specifications of the contract.

4. Who is a Section 3 Worker?

A Section 3 Worker is any individual who fits one of the following categories:

- Currently or when hired in the last five years meets the definition of low-income (i.e., household income at or below 80% of area median income) as established by HUD's income limits.
- Employed by a Section 3 Business Concern.
- A participant in the U.S. Department of Labor's YouthBuild programs.

To determine if an individual meets the definition of a Section 3 Worker or Targeted Section 3 Worker, the individual must complete and submit the Section 3 Worker Certification form (Attachment D).

5. Who is a Targeted Section 3 Worker?

A Targeted Section 3 Worker is a Section 3 Worker who fits one of the following categories:

- Employed by a Section 3 Business Concern.
- Currently lives or when hired within the last 5 years lived within the Neighborhood Service Area of the project:
 - An area within one mile of the Section 3 Covered Project.
 - If fewer than 5,000 people live within one mile, within a circle centered on the Section 3 Covered Project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census. (See Service Area Sample.)

- Currently is or when hired within the last 5 years was a resident of public housing or housing assisted with project-based or tenant-based Section 8 rental assistance.
- Currently is or when hired within the last five years was a participant in the U.S. Department of Labor's YouthBuild program.

6. What is a Section 3 Business Concern?

A Section 3 Business Concern is a business that can provide evidence that they meet or have met within the last 6 months one of the following criteria:

- At least 51 percent owned and controlled by Section 3 Workers.
- At least 75 percent of labor hours over the prior three-month period are performed by Section 3 Workers.
- At least 51 percent owned and controlled by current residents of public housing or housing assisted with project-based or tenant-based Section 8 rental assistance.

A business must complete a Section 3 Business Concern Certification (Attachment B) for NDHFA to determine whether or not it is a Section 3 Business Concern.

NDHFA encourages Section 3 Business Concerns to register on the National Section 3 Business Registry at www.hud.gov/sec3biz.

All employees of a Section 3 Business Concern are Section 3 Workers and Targeted Section 3 Workers.

7. What are NDHFA's Responsibilities?

NDHFA must:

- Assist recipients and contractors on Section 3 Covered Projects to be educated on and to comply with Section 3.
- Monitor the performance of recipients and contractors on Section 3 Covered Projects with respect to their meeting the objectives and requirements of Section 3.
- Report Section 3 data annually to HUD.

If the project contains multiple HUD sources, not all of which are administered by NDHFA, then each agency must separately administer Section 3 compliance and reporting for their respective HUD funding sources. One agency shall not administer Section 3 for all HUD funding sources unless all HUD sources are administered by one agency.

8. What are the Recipient's Responsibilities?

The Recipient (developer/owner/sponsor) must, to the greatest extent feasible, ensure that contracting, employment and training opportunities arising in connection with the Section 3 Covered Project are provided to Section 3 Business Concerns and Section 3 Workers, both in their own operations and that of their Section 3 Contractors.

At or prior to an award of HUD assistance, the Recipient must provide to NDHFA the following to demonstrate compliance with Section 3 on their own behalf:

- Entity Profile Package (SFN 62108)

The Recipient must implement procedures designed to notify potential Section 3 Workers about training and employment opportunities and potential Section 3 Business Concerns about contracting opportunities generated by a Section 3 Covered Project.

The Recipient is required to collect and review for completeness and accuracy, Section 3 documentation from each contractor at various times throughout the project:

- Contract's execution
- Each draw request, regardless of the source of funds used to fund the draw

The Recipient must ensure that all solicitations and contracts related to Section 3 Covered Projects clearly indicate the project is subject to Section 3. All potential respondents should be educated about their responsibilities under Section 3. All Section 3 Covered Contracts must include any required Section 3 clauses within the Entity Profile Package.

The Recipient is responsible for ensuring the compliance of all contractors on a Section 3 Covered Project. Contracts must not be entered into with entities which have violated Section 3.

9. What are the Section 3 Contractor's Responsibilities?

Section 3 Contractors must, to the greatest extent feasible, ensure that contracting, employment and training opportunities arising in connection with the Section 3 Covered Project are provided to Section 3 Business Concerns and Section 3 Workers, both in their own operations and that of their Section 3 Contractors (subcontractors).

Section 3 Contractors must implement procedures designed to notify potential Section 3 Workers about training and employment opportunities and potential Section 3 Contractors (subcontractors) about contracting opportunities generated by a Section 3 Covered Project.

Section 3 Contractors must ensure that all solicitations and subcontracts related to Section 3 Covered Projects clearly indicate the job is subject to Section 3. All potential respondents should be educated about their responsibilities under Section 3. All Section 3 Covered Contracts must include any required Section 3 clauses within the Entity Profile Package.

Section 3 Contractors are responsible for ensuring the Section 3 compliance of all their subcontractors, regardless of the size of the contract. Subcontracts must not be entered into with entities which have violated Section 3. Likewise, all subcontractors are responsible for the lower tier subcontractors underneath them.

Section 3 Contractors must provide the following to the Recipient to demonstrate compliance with Section 3:

- At or prior to a contract's execution:
 - Entity Profile Package (SFN 62108)
 - If applicable, a Schedule of Contracts clearly providing the following:
 - Name and contact information for each subcontractor
 - Identification of any materials-only contracts
 - The total of all contracts must equal the dollar amount of the general contract.
- Each draw request in which the contractor is being paid:
 - Section 3 Work Hours and Outreach Efforts for Each Financial Draw
 - Section 3 Worker Certification for any employee
 - Only need to provide once per employee working on the project

10. What if the Section 3 Benchmarks are Not Met?

If the Section 3 Covered Project fails to meet the Section 3 Benchmarks listed in #3 of this manual, the Recipient must demonstrate why it was not possible. Justification should describe

the efforts that were taken, barriers encountered, and other relevant information that will allow HUD to make a determination regarding Section 3 compliance.

Recipients and contractors on Section 3 Covered Projects must undertake efforts to facilitate training and employment opportunities to Section 3 Workers as well as award contracts to Section 3 Business Concerns. Those efforts must be documented in detail and reported to NDHFA on the Section 3 Work Hours and Outreach Efforts for Each Financial Draw (Attachment C). Examples of evidence of efforts include copies of direct mail solicitations, email and internet outreach efforts, formal advertisements, flyers or brochures, sign-in lists from job fairs and other public meetings, and agendas and/or meeting notes from meetings with contractors.

Examples of efforts to generate training and employment opportunities for Section 3 Workers and contract opportunities to Section 3 Business Concerns include, but are not limited to, the following:

- Post jobs on HUD's Section 3 Opportunity Portal, <https://hudapps.hud.gov/OpportunityPortal/>.
- Search for potential job applicants and subcontractors on HUD's Opportunity Portal, <https://hudapps.hud.gov/OpportunityPortal/>.
- Inform Job Service North Dakota of job opportunities.
- Advertise employment or contracting opportunities in local media.
- Search for potential subcontractors on HUD's Section 3 Business Registry, <http://www.hud.gov/Sec3Biz>.
- Hold or participate in job fair(s).
- Conduct direct on-the-job training, including apprenticeships.
- Assist indirect training through support of off-site training opportunities.
- Target advertising for training and employment to residents of public housing.
- Connect residents with supportive services such as education or financial literacy.
- Provide technical assistance to Section 3 Workers for job readiness (i.e., provide resume assistance, coaching, interview clothing, test fees, transportation, assist with college or vocational education, and assist in finding childcare).
- Provide technical assistance to Section 3 Business Concerns (i.e., bonding assistance, guaranties, or other efforts to help Section 3 Business Concerns provide viable bids).
- Maintain a file of eligible qualified Section 3 Workers for future employment positions.
- Target advertising for training and employment to the Neighborhood Service Area of the project.
- Consult with agencies administering YouthBuild and other federally funded training programs.
- Consult with probation and parole agencies, unemployment compensation programs, and community organizations which serve Section 3 Workers.
- Employ a job coordinator or contracting with a Business Concern that is licensed in the field of job placement, that will undertake on behalf of the contractor the efforts to match eligible and qualified Section 3 Workers with training and employment positions.

11. Request for Funds

NDHFA must review every draw request for compliance with Section 3 regardless of the source(s) of funds in the draw. **Absolutely no funds shall not be released for payment from any source until NDHFA has communicated Section 3 compliance has been satisfied.**

12. SAM Registration

In accordance with 24 CFR 200.206(d), federal awards, subawards and contracts are restricted from being executed with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in federal programs or activities. To ensure compliance with these provisions, certain parties are required to obtain a Unique Entity ID from the System for Award Management at www.Sam.gov.

A Unique Entity ID obtained from www.Sam.gov:

- This YouTube video explains how to obtain a Sam.gov Unique Entity ID
 - <https://youtu.be/0uv1YNAslNk?t=150>

Who Must register for SAM.gov:

- Subrecipient: a nonfederal entity that receives a subaward from a pass-through entity to carry out any part of the federal program.
- Sub-Grantee: a nonfederal entity that receives a subaward from a pass-through entity to carry out any part of the federal program.
- Contractor: an entity that receives a contract which has been procured by the grantee, subgrantee or subrecipient.
- UGLG: Unit of General Local Government (i.e., city, town or county).

For purposes of the HOME or HTF projects, NDFHA requires the project's Applicant, Developer, Ownership Entity and General Contractor to provide their Sam.gov Unique Entity ID.

13. Debarment Certification

All contractors are required to certify that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntary excluded from participation with any Federal department or agency. Additionally, the certification language is required to be present in all contracts related to the project.

What are the Recipient, Contractor and Subcontractors' Responsibilities?

| | Upon Contract Execution | Each Draw |
|---|--|---|
| Recipient (developer, owner, or sponsor) | Entity Profile Package <ul style="list-style-type: none"> • Section 3 Acknowledgement • Business Concern Certification • Certification of Non-Debarment or Suspension • Section 3 Clause | Recipient should coordinate the collection of the items listed below, ensure they are fully completed, then compile and submit as a package to NDHFA. |
| General Contractor | <ul style="list-style-type: none"> • Entity Profile Package • Schedule of Contracts • Contract with required Clause(s) | If paid by the current draw request, regardless of source of funds: <ul style="list-style-type: none"> • Attachment C for the period since the last Attachment C • Attachment D for any employee listed on Attachment C in which an Attachment D has not already been submitted |
| Subcontractors | <ul style="list-style-type: none"> • Entity Profile Package • Schedule of Contracts (if applicable) • Contract with required Clause(s) | If paid by the current draw request, regardless of source of funds: <ul style="list-style-type: none"> • Attachment C for the period since the last Attachment C • Attachment D for any employee listed on Attachment C in which an Attachment D has not already been submitted |

*Proof of all efforts to identify and provide training and employment opportunities to Section 3 Workers and Section 3 Business Concerns should be sent to NDHFA as soon as it is available. Examples include, but are not limited to, advertisements in media, flyers, signs, contact with employment agencies, housing authorities or local community development agencies.

If additional space is needed, please attach a separate sheet.

| | | | |
|-----------------|--|----------------|-------------------|
| Project Name | | Project Number | |
| Project Address | | City | State ZIP Code |

| | | | |
|--|------------------|---------------|--|
| Business Legal Name ("Entity") | | | |
| Address | | City | State ZIP Code |
| Federal Tax ID Number | Telephone Number | Email Address | |
| Contract is directly with Project Owner? | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Sam.gov Unique Entity ID (Required if contract is directly with Project Owner) | | | |

¹ **Professional Services** means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

² **Material Supply Contract** means a contract including only the purchase of products or materials. May include the delivery of those products or materials, however, the contract may NOT include any other involvement of labor.

| | |
|--|-----------------|
| Contract Date | Contract Amount |
| Contract is for Professional Services ¹ ONLY ? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Contract is a Material Supply Contract ² ONLY ? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| If "No", State of ND Contractor License Number | |
| Any portion of this contract to be subcontracted? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| If "Yes" a Schedule of Contracts with contact info is required to be attached to this package. Required from each subcontractor: Copy of the Subcontract Entity Profile Package | |

| |
|---|
| Owner/Controller of this Entity is <input type="checkbox"/> Female <input type="checkbox"/> Male |
| Race / Ethnicity of Owner/Controller of this Entity <input type="checkbox"/> Alaska Native / American Indian <input type="checkbox"/> Asian / Pacific Islander <input type="checkbox"/> Black Non-Hispanic <input type="checkbox"/> Hispanic <input type="checkbox"/> White Non-Hispanic |

SECTION 3 ACKNOWLEDGMENT

Section 3 is a provision of the Housing and Urban Development Act of 1968 that promotes local economic development and individual self-sufficiency for projects funded by the U.S. Department of Housing and Urban Development (“HUD”).

Section 3 requires that, to the greatest extent possible, economic opportunities that are generated using federal funds be made available to low-income persons, particularly those who receive federal financial assistance for housing and those residing in communities where the financial assistance is expended. Section 3 established benchmark goals of 25 percent of total labor hours worked by Section 3 Workers, and 5 percent of total labor hours worked by Targeted Section 3 Workers, as those terms are defined in North Dakota Housing Finance Agency’s Section 3 Compliance Manual (“Manual”).

| | | | |
|-----------------|----------------|-------|----------|
| Project Name | Project Number | | |
| Project Address | City | State | ZIP Code |

Therefore, I, the person named above, on behalf of Entity hereby certify that upon being awarded a contract to participate in the HUD-funded project named above (“Project”), the Entity:

1. Has received, read, and understands the Manual and all its Attachments; and
2. Will comply with all policies and procedures outlined in the Manual; and
3. Will ensure NDHFA promptly receives all required documentation identified in the Manual; and
4. Has read the Section 3 regulations at 24 CFR Part 75; and
5. Will comply with HUD’s Section 3 regulations at 24 CFR Part 75; and
6. Is under no contractual or other impediment preventing compliance with Section 3 requirements; and
7. Will include any required Section 3 Clause(s) in every contract related to this Project; and
8. Will not contract with any entity that has been found in violation of any provision of 24 CFR Part 75; and
9. Will provide a copy of the Manual to all entities with which Entity contracts to work on the Project; and
10. Understands that draw requests will be delayed until all Section 3 requirements are met.

| | |
|--------------------------------|-------|
| Business Legal Name (“Entity”) | |
| Representative Name | Title |
| Signature | Date |

SECTION 3 BUSINESS CONCERN CERTIFICATION

BUSINESS INFORMATION

| | | | | |
|---------------------|------------------|--------------------------|-------|----------|
| Business Legal Name | | Sam.gov Unique Entity ID | | |
| Address | | City | State | ZIP Code |
| Contact Name | Telephone Number | Email Address | | |

Check all that apply:

| |
|--|
| <input type="checkbox"/> This business is at least 51 percent owned and controlled by low-income persons, defined as those with household income below 80 percent of the HUD-defined area median income. |
| <input type="checkbox"/> At least 75 percent of this business' labor hours are performed by low-income workers, defined as those with household income below 80 percent of the HUD-defined area median income. |
| <input type="checkbox"/> This business is at least 51 percent owned and controlled by current residents of public housing or housing assisted with project-based or tenant-based Section 8 rental assistance. |
| <input type="checkbox"/> None of the above. |

North Dakota Housing Finance Agency encourages Section 3 Business Concerns to register on the National Section 3 Business Registry at www.hud.gov/sec3biz.

| | |
|---------------------|-------|
| Representative Name | Title |
| Signature | Date |

CERTIFICATION OF NON-DEBARMENT OR SUSPENSION

The Entity agrees this Debarment and Suspension Provision shall be included, without modification, in all sub-agreements.

By signing this Certification, Entity certifies to the best of its knowledge and belief that it and its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; and
- B. Have not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph b of this section; and
- D. Have not, within a three-year period preceding this Agreement, had one or more public transactions (Federal, State or local) terminated for cause or default.

| | |
|---|-------|
| Business Legal Name ("Entity") | |
| Printed Name of Entity's Authorized Agent | Title |
| Signature | Date |

SECTION 3 CLAUSE

The Entity agrees this Section 3 Clause shall be included, without modification, in all sub-agreements.

- 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 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are beneficiaries of HUD housing assistance or who reside in the communities where the HUD funding is expended.
- B. The parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 75, 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 75 regulations.
- C. The Entity agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, 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 75. The Entity will not subcontract with any subcontractor where the Entity has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.
- D. Noncompliance with HUD’s regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

| | |
|---|-------|
| Business Legal Name ("Entity") | |
| Printed Name of Entity's Authorized Agent | Title |
| Signature | Date |

**CERTIFICATION REGARDING LOBBYING
(COMPLETE ONLY IF DAVIS BACON APPLIES)**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- C. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

| | |
|---|-------|
| Business Legal Name ("Entity") | |
| Printed Name of Entity's Authorized Agent | Title |
| Signature | Date |

**WORK CLASSIFICATIONS AND WAGE RATES
(COMPLETE ONLY IF DAVIS BACON APPLIES)**

Identify work classifications, base wage rates, and total wage rates for each individual performing work on the project site using the attached wage decision. Attach additional sheets if necessary.

| Work Classification from Wage Decision | Base Rate of Pay | Total Wage (including fringe) |
|--|------------------|-------------------------------|
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|---|-----------|------|
| Printed Name of Owner/Principal Officer | Signature | Date |
|---|-----------|------|

AUTHORIZATION TO SIGN CERTIFIED PAYROLL RECORDS (COMPLETE ONLY IF DAVIS BACON APPLIES)

This form must be submitted for any person (other than the registered "owner" of the company) who will be certifying (signing) the Statement of Compliance that will accompany each weekly Certified Payroll Report.

| | | | |
|-----------------|------|-------|----------|
| Project Name | | | |
| Project Address | City | State | ZIP Code |

The following person is designated as the Payroll Officer for the undersigned company and is authorized to sign the Statement of Compliance, which will accompany each weekly Certified Payroll Record for the project referenced above.

| | |
|---------------------------------|------------------------------|
| Printed Name of Payroll Officer | Signature of Payroll Officer |
| Company Name | |

AUTHORIZATION SIGNATURE

| | |
|---|---------------------------------------|
| Printed Name of Owner or Authorized Agent | Owner or Authorized Agent's Signature |
| Title | Date |

PART II: OUTREACH EFFORTS

Indicate any efforts made, **since the last report submitted** to direct employment and other economic opportunities toward low-income persons, particularly those who reside near the project or are recipients of government assistance for housing. Provide detailed explanations for any effort selected. Documentation of any efforts must be attached.

(Check all that apply.)

| |
|--|
| <input type="checkbox"/> Contract Opportunities: Informed advocates for small businesses of possible contracting opportunities associated to this Project. Explain: |
| <input type="checkbox"/> Contract Opportunities: Divided contracts/subcontracts into smaller jobs to facilitate participation by Section 3 business concerns. Explain: |
| <input type="checkbox"/> Apprenticeships: Conducted on-the-job training or assisted indirect training through support of off-site training opportunities. Explain: |
| <input type="checkbox"/> Job Opportunities: Informed Job Service North Dakota, advertised in local media, or participated in job fair. Explain: |
| <input type="checkbox"/> Job Opportunities: Advertised in local media, social media or participated in job fair. Explain: |
| <input type="checkbox"/> Job Opportunities: Targeted advertising for training and employment specifically to residents of public housing. Explain: |
| <input type="checkbox"/> Job Opportunities: Targeted advertising for training and employment to the Neighborhood Service Area of the project. Explain: |
| <input type="checkbox"/> Job Opportunities: Consulted with an agency administering YouthBuild and/or other federally funded training programs. Explain: |
| <input type="checkbox"/> Job Opportunities: Consulted with probation or parole agencies, unemployment compensation programs, and/or a community organization which serves Section 3 Workers. Explain: |
| <input type="checkbox"/> Job Opportunities: Employed a job coordinator or contracted with a business licensed in the field of job placement to undertake efforts to match eligible and qualified Section 3 Workers with training and employment positions. Explain: |
| <input type="checkbox"/> Other efforts made. Explain: |
| <input type="checkbox"/> No efforts made since last report. Explain: |

The undersigned, being duly authorized on behalf of the above-named company, hereby declares, and affirms that the information contained herein is, to the best of his/her knowledge and belief, in all things complete, true, and correct. Misrepresentation of any kind will be grounds for appropriate sanctions under 24 CFR Part 75.

| | |
|---------------------|-------|
| Representative Name | Title |
| Signature | Date |



SECTION 3 WORKER CERTIFICATION
 PLANNING AND HOUSING DEVELOPMENT DIVISION
 SFN 60814 (11/22)

EMPLOYEE INFORMATION

| | | | |
|-------------------|------|----------------------|----------|
| Name | | Date Hired (mm/yyyy) | |
| Permanent Address | City | State | ZIP Code |

Check all that apply:

| | |
|---|--|
| <input type="checkbox"/> Worker's income, annualized for the current calendar year or for the previous calendar year, is below the published HUD-defined area median income | Section 3 Worker |
| <input type="checkbox"/> Worker resides within the one mile of the Project or within the Project's Neighborhood Service Area* | Targeted Section 3 Worker |
| <input type="checkbox"/> Worker's employer is a Section 3 Business Concern | Section 3 Worker and Targeted Section 3 Worker |
| <input type="checkbox"/> Worker is a YouthBuild participant, either currently or when worker was hired in the last five years | Section 3 Worker and Targeted Section 3 Worker |
| <input type="checkbox"/> None of the above | |

*Neighborhood Service Area: An area within one mile of the Section 3 Project or, if fewer than 5,000 people live within one mile, within a circle centered on the Section 3 Project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

IF COMPLETED BY EMPLOYER

| | |
|---------------------|-------|
| Representative Name | Title |
| Signature | Date |

IF COMPLETED BY WORKER

| | |
|-----------|------|
| Signature | Date |
|-----------|------|

At this time HUD has not provided guidance on how to establish a service area.

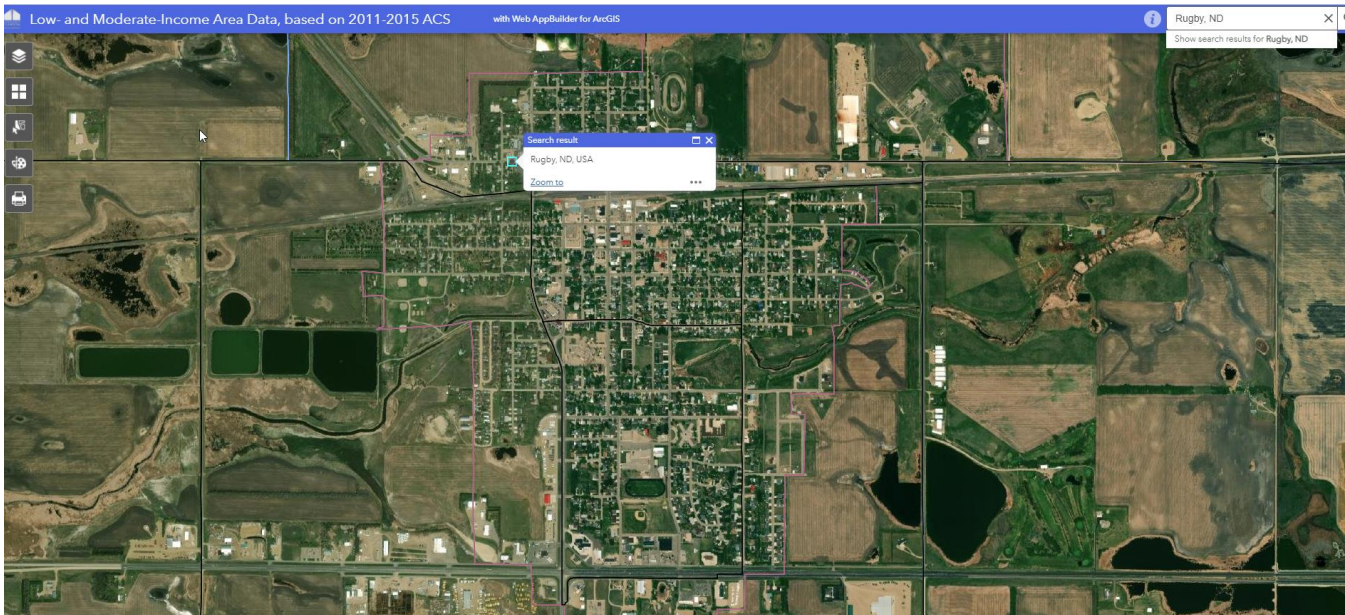
HUD's Low-and Moderate-Income Summary Data used for CDBG, NSP, and CDBG-DR Area Benefit may be helpful to you. A training video is available.

<https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd>

INSTRUCTIONS:

Click View Application

Step 1. Zoom in or type location to identify project location.



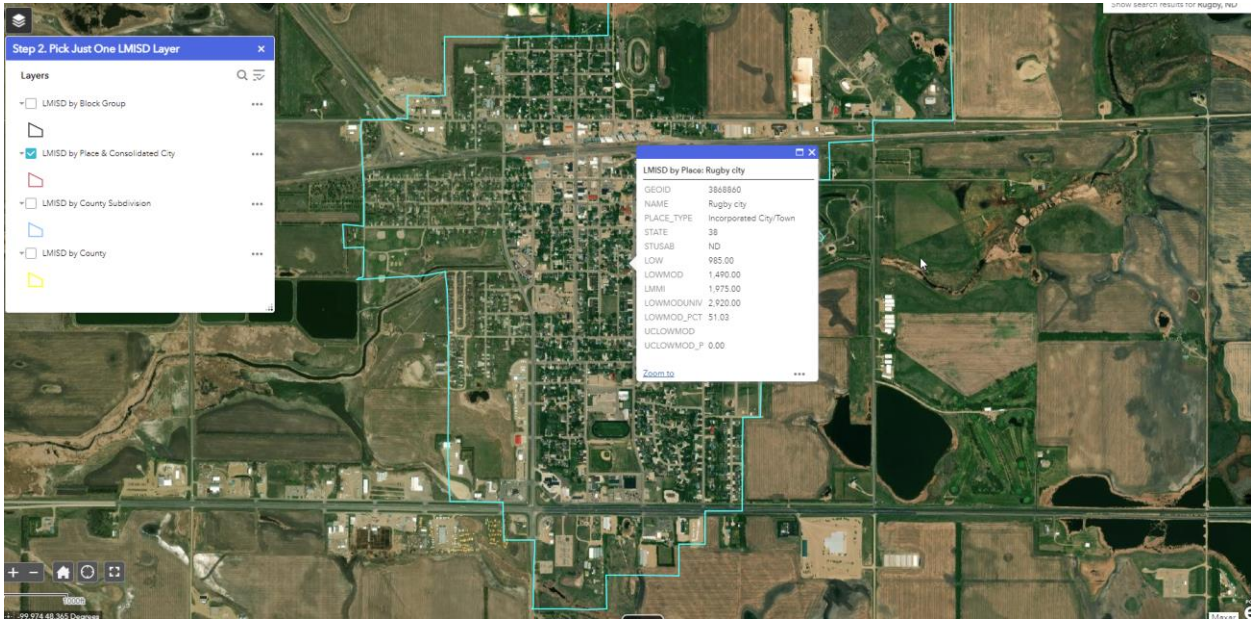
Step 2. Select Layer

- Block Group- selects census tract groups. This is useful for larger community, but block for a rural community may select a larger area.
- Place and Consolidated City- useful for rural communities.
- County Subdivision
- County

Selected Rugby, ND, Place

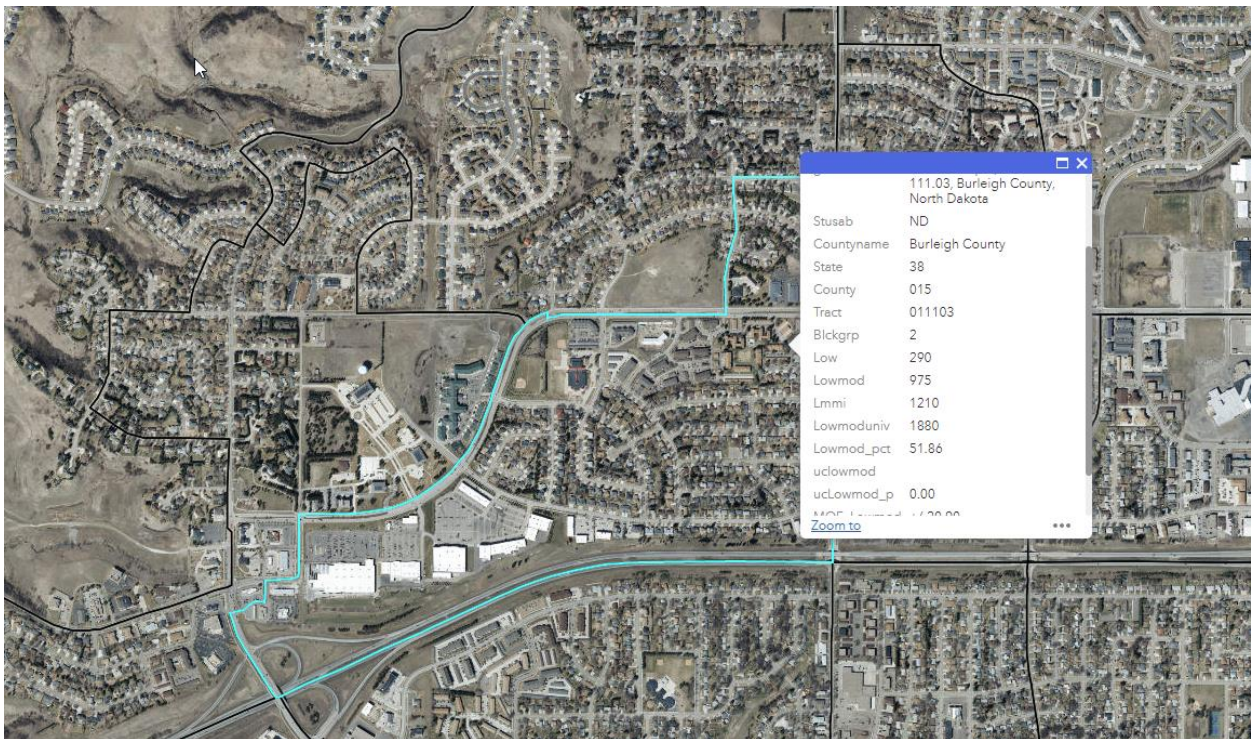
This selection encompasses the entire community. LowMODUniv= the entire population universe i.e. the estimated population. 2,920. Not 5,000 so can be expanded.

County place = Pierce County universe 4,070 close to 5,000. Perhaps your service area is Pierce County for this project.

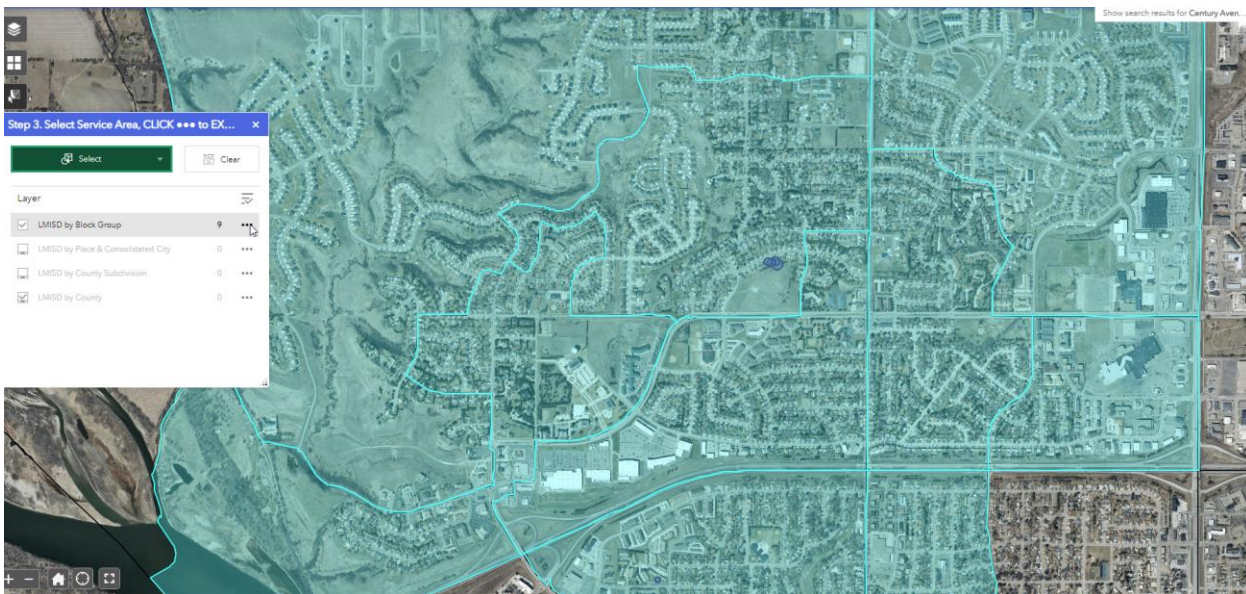
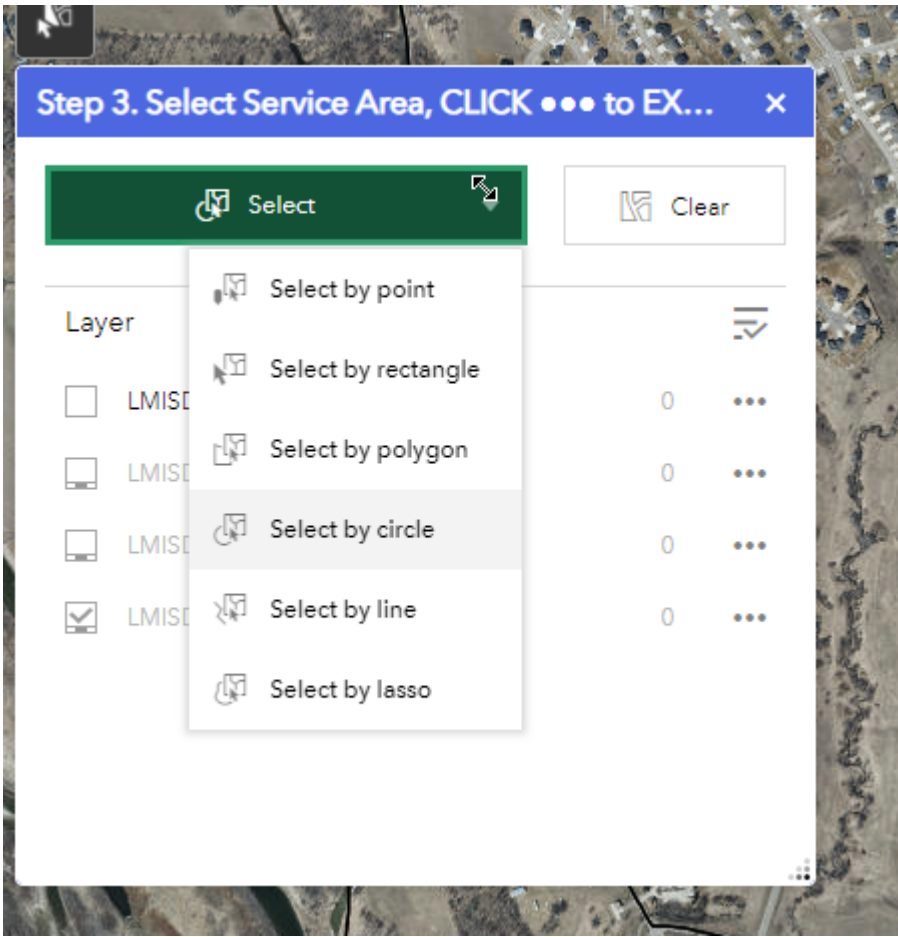


Selected Bismarck, ND, an area near Century Avenue:

Selected Block Group which encompasses a universe of 1,880 so need to expand. Move to step 3.



Step 3. Select Service Area to draw map.



Export to CVS File:

LOWMODU= universe- 16,735 Need to decrease selection to close to 5,000

| OBJECTID | GEOID | Source | geoname | Stusab | Countynal | State | County | Tract | Bkgrp | Low | Lowmod | Lmmi | Lowmodu | Lowmod | uclowmoc | uclowmo | MOE_Low | MOE_ucl | Shape_A | Shape_Lx | y |
|----------|---------|---------|-----------|--------|------------|-------|--------|-------|-------|-----|--------|------|---------|--------|----------|---------|------------|---------|----------|----------|---|
| 147952 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 10400 | 2 | 240 | 480 | 630 | 850 | 56.47 | | 0 +/-16.00 | | 6.18E-05 | 0.031505 | |
| 147954 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 10500 | 1 | 835 | 1405 | 1955 | 2365 | 59.41 | | 0 +/-13.23 | | 0.000134 | 0.053439 | |
| 147973 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11101 | 1 | 595 | 830 | 1325 | 1960 | 42.35 | | 0 +/-16.17 | | 0.000118 | 0.047542 | |
| 147974 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11101 | 2 | 345 | 600 | 660 | 770 | 77.92 | | 0 +/-27.27 | | 7.97E-05 | 0.038903 | |
| 147975 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11101 | 3 | 1005 | 1495 | 2035 | 2585 | 57.83 | | 0 +/-17.29 | | 0.000253 | 0.071563 | |
| 147976 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11103 | 1 | 265 | 670 | 935 | 1505 | 44.52 | | 0 +/-21.33 | | 0.000259 | 0.123587 | |
| 147977 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11103 | 2 | 290 | 975 | 1210 | 1880 | 51.86 | | 0 +/-20.90 | | 0.000145 | 0.068481 | |
| 147978 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11104 | 1 | 25 | 175 | 485 | 1605 | 10.9 | | 0 +/-7.10 | | 0.00017 | 0.075554 | |
| 147979 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11104 | 2 | 95 | 170 | 275 | 3215 | 5.29 | | 0 +/-2.99 | | 0.001263 | 0.176892 | |
| | | | | | | | | | | | | | 16735 | | | | | | | | |

Decreased to 3 tracts and now get 5,445- close.

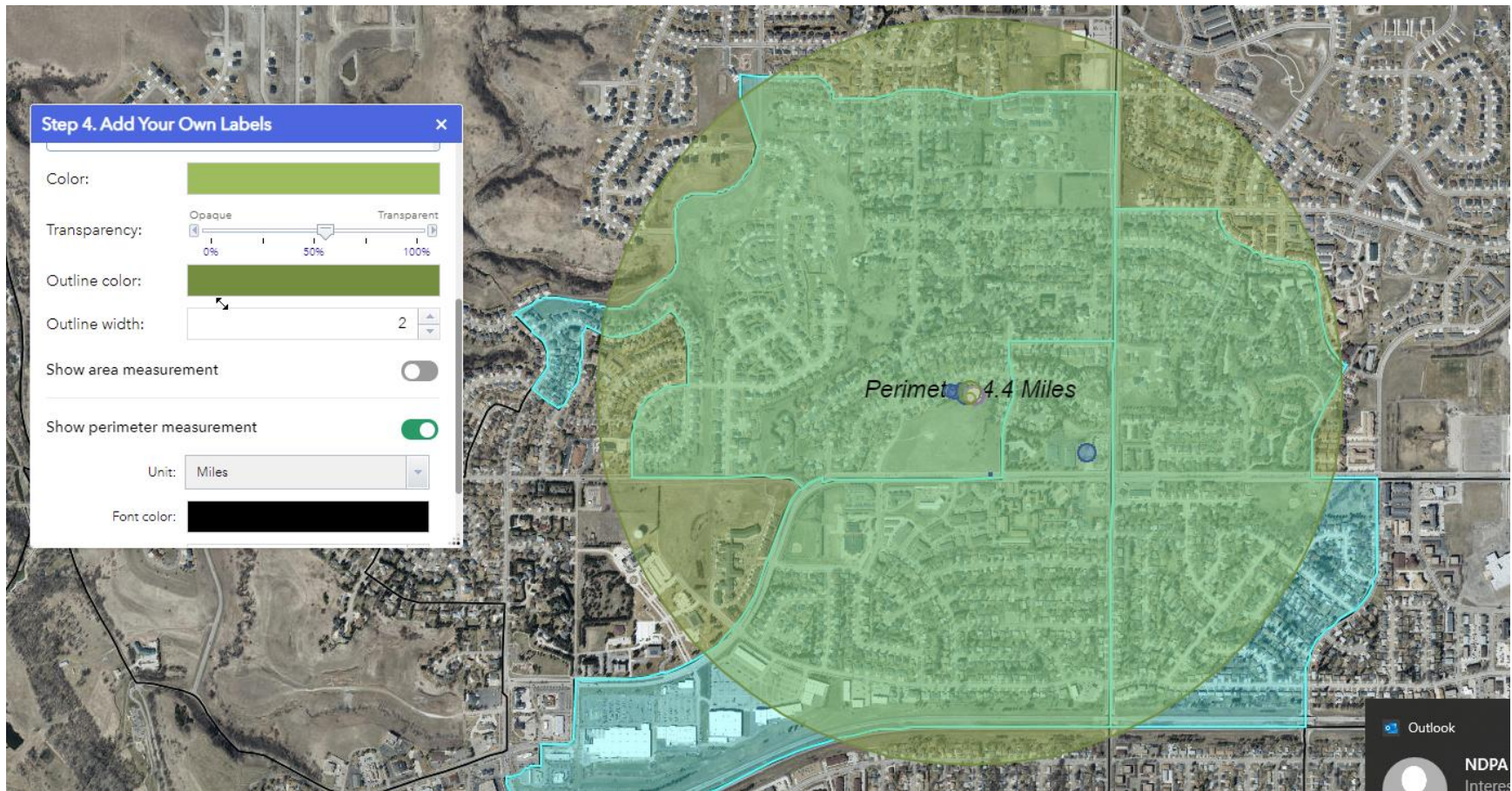
| OBJECTID | GEOID | Source | geoname | Stusab | Countynal | State | County | Tract | Bkgrp | Low | Lowmod | Lmmi | Lowmodu | Lowmod |
|----------|---------|---------|-----------|--------|------------|-------|--------|-------|-------|-----|--------|------|---------|--------|
| 147973 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11101 | 1 | 595 | 830 | 1325 | 1960 |
| 147977 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11103 | 2 | 290 | 975 | 1210 | 1880 |
| 147978 | 3.8E+11 | 2015ACS | Block Gro | ND | Burleigh C | | 38 | 15 | 11104 | 1 | 25 | 175 | 485 | 1605 |

Save this export to attach to map.

Step 4 add own labels to create map.

Select shape of circle, make sure transparency is over 50% and show perimeter measurement in miles.

This creates a map encompassing your selections and gives you the perimeter of the circle.



Print Map and Save

CPD (HUD REQUIREMENTS)

Who **MUST** register in the System for Award Management (SAM.gov):

- (A) Grantee** - State Agency or Entitlement Community
- (B) Sub-Recipient** - a non-federal entity that receives a subaward from a pass-through entity to carry out any part of the federal program.
- (C) Sub-Grantee** - a non-federal entity that receives a subaward from a pass-through entity to carry out any part of the federal program.
- (D) Contractor** - an entity that receives a contract which has been procured by the grantee, subgrantee or subrecipient.
- (E) UGLG** - Unit of General Local Government, City, Town, County...etc

Unique Identifier

"DUNS # Required for (A-E)"

DUNS # is required to register within SAM.gov

SAM.gov Registration

Registration is required to apply for an award and for HUD to make payment. Make sure registration happens prior to award.

Required for Entities (A-E)

Debarment Check - Required for (A-E)

Check #1 (Company):

A debarment check should be generated in SAM.gov - your debarment check must show "Active" status with "No Exclusions" (the company must be registered in SAM.gov to receive this report.)

** Printouts for debarment checks are required and should be placed in the file**

Check #2 (Principals):

Debarment check is also required for all principals of the company. You can process this debarment check one of two ways (1) collect a signed certification from that person(s) using the U.S. Department of Housing and Urban Developments Certification Regarding Debarment and Suspension for all principals or (2) Add a clause or condition to the covered transaction within the contract.

Who **does not** have to register in the System for Award Management (SAM.gov):

- (F) Beneficiaries** - (individuals who benefit from grant\loan, such as a homeowner, farmer, etc);
- (G) Subcontractor** - used by contractor as long as contractor has been verified;
- (H) Contractors\Subcontractors** - *selected and hired* by the beneficiary to complete scope of work awarded by grant/loan from grantee/subrecipient/subgrantee/UGLG

Unique Identifier

Taxpayer Identification, SSN, or DUNS # Required

SAM.gov Registration

Not Required for Entities (F, G, H)

Debarment Check - (Required for G and H)

(F) Beneficiary - Not Required

(G) Sub-Contractor - Since the sub-contractor is not required to register in SAM you may receive a "no records" response when searching their unique identifier which is not an acceptable debarment check according to HUD. Therefore, both a signed certification and clause in their contract is recommended for certification that the company and its principals are not debarred.

(H) Contractor\Sub-Contractor selected and hired by the beneficiary- same requirement as (G)

NOTE: Although these entities are not required to "register" in SAM.gov, a debarment check should be performed using the DUNS #. Print the resulting report and place in the file. If a "no search records" is returned make sure you obtain a signed certification and have clauses outlined in your contracts.