



SECTION 3 HIRING PROGRAM FOR CONSTRUCTION CONTRACTS

OVERVIEW

- Applies to contracts awarded after November 30, 2020.
- Applies to projects that are fully or partially funded with HUD financial assistance. *Housing and Community Development projects* that are partially funded with HUD financial assistance are covered by Section 3 if the amount of HUD funding exceeds the regulatory threshold of \$200,000. Section 3 requirements apply to all projects receiving *Public Housing financial assistance* regardless of the amount of funding.
- Contractors are required to work in good faith with the City's Office of Economic and Workforce Development (OEWD) to meet the following Worker participation goals:
 - 25% of total labor hours are performed by Section 3 workers
 - 5% of total labor hours are performed by **Targeted Section 3** workers (this 5% is included as part of the 25% threshold)
 - 6.9% of total work hours by trade are performed by female workers
 - 25.6% of total work hours by trade are performed by minority workers

GOOD-FAITH EFFORTS AND REPORTING GUIDELINES

- **Pre-construction Meeting:** Prior to starting on a project, a CityBuild Workforce Meeting must be scheduled to discuss policy requirements, construction schedule and labor needs.
- **Section 3 Self-Certification Form:** All Section 3 eligible workers must provide appropriate documentation as determined by CityBuild to be recognized as a Section 3 worker and/or Targeted Section 3 worker.
- **Form 3: Job Notice:** Must be submitted to CityBuild at least 3 business days in advance of a *new hire* start date.
- **City's Electronic Certified Payroll System:** All contractors will be required to submit certified payroll for all workers through the City's Electronic Certified Payroll System. An account is required to access the system.
- **Evaluation:** Compliance of the Policy requirements will be evaluated on the actual work hours reported through the City's Electronic Certified Payroll System.

PENALTIES

- Failure to comply may lead to financial penalties as determined by the awarding department.
- A Corrective Action Plan may be negotiated to avoid financial penalties.