

Section 3 Compliance Certification

To be completed and returned to NCHFA prior to issuance of the Final Commitment Letter

This applies to the owner of a multi-family rental project which receives over \$200,000 in total of applicable HUD funding at the project level. Applicable HUD funding sources are listed below:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- National Housing Trust Fund (NHTF)
- Emergency Solutions Grants (ESG)
- Housing Opportunities for People with Aids (HOPWA)
- Disaster Recovery
- Section 202 or 811
- University Partnership Grants
- Economic Stimulus Funds
- Lead Hazard Control Grants or Health Homes Production Grants (\$100,000 threshold instead of a \$200,000 threshold)

The undersigned, owner and general contractor of a multi-family rental project, is committed to comply with the Section 3 Act and the Section 3 regulations. The NC Housing Finance Agency will work with the owner and general contractor to ensure compliance, to the greatest extent feasible, through the employment of Section 3 workers and Targeted Section 3 workers. Furthermore, the owner hereby agrees to implement at least the following actions directed to employing Section 3 workers and Targeted Section 3 workers.

- The owner must submit the Section 3 Quarterly Report to the NC Housing Finance Agency quarterly by the 15th of the following month (April 15th, July 15th, October 15th, and January 15th) while the project is in development.
- The owner must submit Section 3 Summary Report to the NC Housing Finance Agency by the final cost certification.

The following four actions apply to the owner of a multi-family rental project and to the general contractor if the project receives \$200,000 or more in any applicable HUD funds:

- A. To make best efforts to ensure that all Section 3 business concerns, and targeted Section 3 workers within the service area are notified of pending opportunities.
- B. To maintain records, including copies of correspondence, memoranda, etc., which document all the steps taken to employ Section 3 workers and targeted Section 3 workers.
- C. To maintain and provide the information requested on the Section 3 Summary Report and Section 3 Quarterly Report related to employment and training records of Section 3 workers and targeted Section 3 workers, and contracts awarded to Section 3 business concerns.
- D. Ensure all subcontractors are aware of their obligation to meet Section 3 benchmarks laid out in the NC Housing Finance Agency Section 3 Guidance. Subcontractors work with the General Contractor instead of the NC Housing Finance Agency regarding questions and reporting.

Section 3 Benchmarks:

- a. At least 25% of the total number of labor hours worked on a Section 3 project must be worked by Section 3 workers.
- b. At least 5% of the total number of labor hours worked on a Section 3 project must be worked by targeted Section 3 Workers.
 - i. This 5% of labor hours worked by targeted Section 3 workers is included as part of the 25% worked by Section 3 workers.

We the undersigned, have read and fully agree to this Section 3 Compliance Certification, and become party to the full implementation of this program.

Owner:

Signature: _____

Title: _____

Date: _____

General Contractor:

Signature: _____

Title: _____

Date: _____