

## **INFORMATION REGARDING SECTION 3**

### **1. WHAT IS SECTION 3?**

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1994, requires that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, be directed to low-income and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low-income and very low-income persons. 24 CFR Part 75 establishes the standards and procedures to be followed by the Roanoke Redevelopment & Housing Authority in order to ensure that the requirements of Section 3 are met.

### **2. WHAT GOALS HAS RRHA ESTABLISHED?**

In order to comply with the provisions of 24 CFR Section 75, RRHA has established the following Employment and Training goals:

- 1) RRHA has established a goal that all contractors and subcontractors hire qualifying Section 3 residents for at least 25% of total labor hours for Section 3 workers and 5% of Targeted Section 3 workers (for a total of 30% of total labor hours) in a calendar year are created as a result of contracts with RRHA.
- 2) RRHA has established a goal that, to the greatest extent feasible at least 30% of hours worked by Section 3 Workers for building trades work for maintenance, repair, modernization or development of public housing shall be awarded to qualifying Section 3 business concerns.
- 3) RRHA has established a goal that, to the greatest extent feasible, at least 30% of labor hours worked for contracts awarded to Section 3 business concerns will be comprised from Targeted Section 3 Workers and Section 3 Workers.

### **3. WHAT IS A SECTION 3 BUSINESS CONCERN?**

A Section 3 Business Concern is a business concern, as defined by HUD. At least one of the following criteria, documented within the last six-month period.

- 1) It is at least 51 percent owned and controlled by low- or very low-income persons.
- 2) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers.
- 3) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

**Note:** A business concern seeking to qualify as a Section 3 business concern shall self-certify and be able to submit evidence that the business meets one of the guidelines stated above. [See Question #5 ("How Does A Business Concern Self-Certify That It Qualifies As A Section 3 Business Concern?") and (Section 3 Business Self-Certification)].

### **4. WHO IS A SECTION 3 WORKER?**

A Section 3 Worker is:

Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- 1) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- 2) The worker is employed by a Section 3 business concern.
- 3) The worker is a YouthBuild participant.

5. **WHO IS A TARGETED SECTION 3 WORKER?**

.A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

- 1) A worker employed by a Section 3 business concern; or
- 2) A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
  - a) A resident of public housing or Section 8-assisted housing;
  - b) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
  - c) A YouthBuild participant.

## **REQUEST FOR QUOTATION**

**MSA - Roanoke City, Roanoke County, City of Salem, Botetourt County, Craig County, VA – FY2021 Income Limits**

<b>FAMILY SIZE</b>	<b>LOW-INCOME</b>	<b>VERY LOW-INCOME</b>	<b>EXTREMELY LOW INCOME</b>
1	\$43,900.00	\$27,450.00	\$16,450
2	\$50,200.00	\$31,400.00	\$18,800
3	\$56,450.00	\$35,300.00	\$21,960
4	\$62,750.00	\$39,200.00	\$26,500
5	\$67,750.00	\$42,350.00	\$31,040
6	\$72,750.00	\$45,500.00	\$35,580
7	\$77,750.00	\$48,650.00	\$40,120
8	\$82,800.00	\$51,750.00	\$44.660

**MSA - Franklin County, VA – FY2021 Income Limits**

<b>FAMILY SIZE</b>	<b>LOW-INCOME</b>	<b>VERY LOW-INCOME</b>	<b>EXTREMELY LOW INCOME</b>
1	\$37,550.00	\$23,450.00	\$14,100.00
2	\$42,900.00	\$26,800.00	\$17,420.00
3	\$48,250.00	\$30,150.00	\$21,960.00
4	\$53,600.00	\$33,500.00	\$26,500.00
5	\$57,900.00	\$36,200.00	\$31,040.00
6	\$62,200.00	\$38,900.00	\$35,580.00
7	\$66,500.00	\$41,550.00	\$40.120.00
8	\$70,800.00	\$44,250.00	\$44,250.00

5. **HOW DOES A BUSINESS CONCERN SELF-CERTIFY THAT IT QUALIFIES AS A SECTION 3 BUSINESS CONCERN?**

If your business concern meets the requirements necessary to qualify as a Section 3 business concern, complete and sign the Section 3 business Self-Certification. Section 3 Business Self-Certification then must be returned with your quotation package if you intend for your company to claim the Section 3 preference.

**If any information is not provided, as required in connection with Section 3 Business Self-Certification or if the document is not SIGNED AND NOTARIZED, the document will be deemed to be incomplete and you will not be eligible for the Section 3 preference.**

**SPECIAL NOTE:**

Your company must self-certify that it qualifies as a Section 3 business concern by submitting a Section 3 Business Self-Certification for each procurement for which it claims such preference.

**In the event that your company is awarded the quotation as a Section 3 business concern, you may be required to provide additional information as required by RRHA to verify that your business does qualify as a Section 3 business.**

If you have any questions about the Section 3 program or process or if you would like to receive worksheets to help you determine if your company qualifies as a Section 3 business concern, please contact the RRHA at 540-983-9262. You can also find out more information about the Section 3 program on the HUD website - [www.hud.gov/section3](http://www.hud.gov/section3).

# REQUEST FOR QUOTATION

6. **SECTION 3 PREFERENCE FOR PROCUREMENT BY:**

Section 3 procurement procedures provide a **preference** for Section 3 business concerns in procurement.

**This preference in the award of Section 3 covered contracts that are awarded under a quotation process may be provided as follows:**

- 1) Quotations shall be solicited from all businesses (Section 3 business concerns and non-Section 3 business concerns).

An award shall be made to the qualified responsible Section 3 business concern with the lowest responsive quotation **if** that quotation:

- A. Is within the maximum total contract price established in RRHA's budget for the project for which quotations are being taken, and
- B. Is not more than "X" higher than the total quotation price of the lowest responsive quotation from any responsible bidder. "X" is determined as follows:

<b>X = Lesser of:</b>	
<b>When the lowest responsive bid is less than \$100,000.00</b>	10% of that bid or \$ 9,000.
<b>When the lowest responsive bid is:</b>	
<b>At least \$100,000, but less than \$200,000</b>	9% of that bid or \$16,000.
<b>At least \$200,000, but less than \$300,000</b>	8% of that bid, or \$21,000.
<b>At least \$300,000, but less than \$400,000</b>	7% of that bid, or \$24,000.
<b>At least \$400,000, but less than \$500, 000</b>	6% of that bid, or \$25,000.
<b>At least \$500,000, but less than \$1 million</b>	5% of that bid, or \$40,000.
<b>At least \$1 million, but less than \$2 million</b>	4% of that bid, or \$60,000.
<b>At least \$2 million, but less than \$4 million</b>	3% of that bid, or \$80,000.
<b>At least \$4 million, but less than \$7 million</b>	2% of that bid, or \$105,000.
<b>\$7 million or more</b>	1 ½% of the lowest responsive bid

Note: If no responsive quotation by a Section 3 business concern meets the Section 3 requirements, the contract shall be awarded to the lowest responsible and responsive bidder whose quotation meets the requirements of the Request for Quotation.

**SELF CERTIFICATION FOR BUSINESS CONCERNS CLAIMING SECTION 3 PREFERENCE**

**PLEASE PROVIDE THE FOLLOWING INFORMATION.** *Please see section entitled "Information regarding Section 3" for definitions and further information.*

**SPECIAL NOTE:** If any information is not provided, as required in connection with Section 3 Business Self-Certification or if the document is not SIGNED AND NOTARIZED, the document will be deemed to be incomplete and you will not be eligible for the Section 3 preference.

I, \_\_\_\_\_, the undersigned being duly sworn, on oath, represent, warrant and certify, under penalty of law, as follows:

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

**Please select "Yes" or "No". If you answer "YES" to one or more of the following questions, you may designate your company as a Section 3 business concern.**

- A. 51% or more of the Company is owned by low-income or very low income persons: \_\_\_\_\_ YES \_\_\_\_\_ NO
- B. 51% of the Company is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing. \_\_\_\_\_ YES \_\_\_\_\_ NO
- C. 30% or more of the Company's labor hours were provided by Section 3 Workers or Targeted Section 3 Workers within a calendar year: \_\_\_\_\_ YES\* \_\_\_\_\_ NO
- D. Over 75% of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers. \_\_\_\_\_ YES\* \_\_\_\_\_ NO

\*If the answer to question B above was "YES", please answer the following:

- total number of permanent full time employees: \_\_\_\_\_
- total number of Section 3 employees: \_\_\_\_\_
- percentage of permanent full time employees who are Section 3 employees: \_\_\_\_\_

C. The Company can provide evidence, as may be required by RRHA\*, of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to qualified Section 3 business concerns: \_\_\_\_\_ YES \_\_\_\_\_ NO

**\*Note:** If you certify above that your business is a Section 3 business concern, RRHA may request additional documentation and information in support of your Section 3 business concern qualification.

**I declare and affirm under penalty of prosecution for perjury, and that pursuant to 28 U.S. C. § 1746, that the certifications and statements made herein and any information furnished herewith are true and accurate to the best of my knowledge. I understand that falsifying information and incomplete statements or documentation will be cause to disqualify this certification and that falsification of information or noncompliance with HUD regulations regarding Section 3 may result in contract termination, debarment or suspension from future HUD assisted contracts and/or potential legal actions and/or claims for indemnification for any losses suffered by RRHA as a result of its reliance on the information furnished by your Company.**

\_\_\_\_\_  
Signature of Business Owner or Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title (Printed)