



Angela D. Alsobrooks
County Executive



Department of Housing and Community Development

Fiscal Year 2021 - 2025

Section 3 Action Plan

"Creating Economic Opportunities for Low - and Very Low - Income Persons and Eligible Businesses"

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1. Introduction

Prince George’s County is qualified as an urban county entitled to receive grant funds from three (3) federal programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grants (ESG). Entitlement funds are appropriated by the U.S. Congress each year and distributed on a formula basis to local and state jurisdictions.

The Prince George’s County Department of Housing and Community Development (DHCD) is the lead agency responsible for administering the following federal programs: CDBG, HOME, and ESG. The annual apportionment of the U.S. Department of Housing and Urban Development (HUD) funds received each fiscal year is approximately \$9 million and provides housing and community development assistance to primarily low- and very low-income residents of the County. A significant portion of these funds are used to carry out housing rehabilitation, housing construction, and public facilities and infrastructure projects. Whenever the total amount of HUD financial assistance provided to a project exceeds \$200,000 dollars the project is defined by HUD as “Section 3” covered project.¹

The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons.

In order for the Department to comply with the Section 3 Safe Harbor² requirements it shall “to the greatest extent feasible”³

1. Certify the Prioritization of Efforts:
 - a) Employment and training opportunities to Section 3 workers; and
 - b) Award contractors and subcontractors that provide economic opportunities for Section 3 workers.
2. Meet or exceed the applicable Section 3 Benchmarks established by Prince George’s County:
 - a) Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and

¹ September 29, 2020, Section 3 Final Rule 24 C.F.R. § 75.3(2)

² September 29, 2020, Section 3 Final Rule 24 C.F.R. § 75.23

³ “Greatest Extent Feasible” means that every effort shall be made to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3) which includes the original explanation of the phrase. In sum, when properly executed the “greatest extent feasible” provision will not force a contractor to disband an organization by replacing current employees with local workers or contractors. The original definition also rejects the application of anticipated hiring preferences that have historically excluded minorities from countless employment and business opportunities. National Housing Law Project, An Advocate’s Guide to the HUD Section 3 Program: Creating Jobs and Economic Opportunity, February 2009.

- b) Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the thirty-five percent (35%) threshold.

The HUD Office of Fair Housing and Equal Opportunity (FHEO) is charged with oversight and monitoring of Section 3 compliance for recipients of covered funding. In accordance with Section 3 guidelines at 24 C.F.R. § 75, DHCD will report annually Section 3 activities using HUD's Integrated Disbursement and Information System (IDIS)/Consolidated Performance Evaluation Report (CAPER). Section 3 businesses are required to self-certify through HUD's Section 3 Performance Evaluation and Registry System (SPEARS) so that local recipients can notify them about the availability of HUD-funded contracting opportunities.

In efforts to utilize DHCD's federal programs to maximize economic opportunities for low and very low-income persons, the County Council enacted Council Bill (CB-112-2012)⁴ by adding requirements under Section 3 of the Housing and Urban Development Act of 1968, as amended, generally related to housing and community development. Effective November 20, 2012, DHCD is required to prepare a Section 3 Action Plan as part of its five-year Consolidated Plans and Annual Action Plans. The enactment of a Section 3 Action Plan is not a requirement of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3); instead, it is a tool to assist the Department with facilitating its implementation.

DHCD amended the FY 2016 – 2020 Consolidated Plan and FY 2016 Annual Action Plan by including a Section 3 Action Plan. The County Council and County Executive adopted and approved Council Resolution (CR-15-2016) on May 17, 2016.

The FY 2016 – 2020 Section 3 Action Plan was prepared based on the Section 3 Proposed Rule 24 C.F.R. § 135. DHCD would amend its Section 3 Action Plan whenever HUD finalized the Section 3 regulations to reflect any revisions in the new regulations.

In September 2020, HUD finalized the Section 3 Rule, removed the implementing regulations and added the final regulation 24 C.F.R. § 75. The final rule updated HUD's Section 3 regulations to create more effective incentives for employers to retain and invest in their low- and very low-income workers, streamlined reporting requirements by aligning them with typical business practices, provided for program-specific oversight, and clarified the obligations of entities that are covered by Section 3.⁵

The DHCD must implement Section 3 activities pursuant to these final regulations and comply with the reporting requirements starting July 1, 2021. The following is a comparison of the

⁴ December 6, 2012, Prince George's County Maryland Code, Chapter No. 94, Subtitle 15A. Consolidated Housing and Community Development Plan

⁵ September 29, 2020, Section 3 Final Rule 24 C.F.R. § 75

implementing regulations versus the final regulation 24 C.F.R. § 75 and the HUD established Section 3 benchmarks under Federal Register notice (FR-6085-N-04)⁶.

DHCD 2016 - 2020 Section 3 Action Plan Section 3 Proposed Rule 24 C.F.R. § 135	DHCD 2021 - 2025 Section 3 Action Plan Section 3 Final Rule 24 C.F.R. § 75 and Section 3 Benchmarks in FR-6085-N-04
Threshold for Section 3 Covered Project The recipient, contractor and subcontractor of housing and community development assistance for a Section 3 covered project for which the amount of assistance exceeds \$200,000. In addition to the above threshold requirement, Section 3 applies to contractors or subcontractors with an agreement in excess of \$100,000 from HUD funds.	Threshold Section 3 Covered Project Section 3 applies to all construction related activities when the total amount of HUD financial assistance to the project exceeds a \$200,000 threshold. In addition to the above threshold requirement, the threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes program.
HUD Numerical Goals: 1. Employ qualified Section 3 residents, as 30% of aggregate number of new hires resulting from contracts and subcontracts on a covered activity; 2. Award to Section 3 business concerns at least 10% of the total dollar amount of all Section 3 covered projects for building trades work; and 3. Award to Section 3 business concerns at least 3% of the total dollar amount of all Section 3 covered contracts for non-construction work.	Section 3 Safe Harbor Requirements: 1. Certify that the County followed the following Prioritization Efforts: <ul style="list-style-type: none"> a. Provide employment and training opportunities to Section 3 workers; and b. Award contractors and subcontractors that provide economic opportunities for Section 3 workers. 2. Meet or exceed the applicable Section 3 Benchmarks established by Prince George’s County: <ul style="list-style-type: none"> a. 35% or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and b. 5% of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the thirty-five percent (35%) threshold.

⁶ <https://www.federalregister.gov/documents/2020/09/29/2020-19183/section-3-benchmarks-for-creating-economic-opportunities-for-low--and-very-low-income-persons-and>

DHCD 2016 - 2020 Section 3 Action Plan Section 3 Proposed Rule 24 C.F.R. § 135	DHCD 2021 - 2025 Section 3 Action Plan Section 3 Final Rule 24 C.F.R. § 75 and Section 3 Benchmarks in FR-6085-N-04
<p>Section 3 Residents:</p> <ol style="list-style-type: none"> 1. Individuals who reside in public housing; or 2. Low- and very low-income persons who live in the County where a Section 3 covered project for housing or community development is located. 	<p>Section 3 Workers:</p> <p>Any worker who currently fits or when hired within the past 5 years fit at least one of the following categories:</p> <ol style="list-style-type: none"> 1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD; or 2. The worker is employed by a Section 3 business concern; or 3. The worker is a YouthBuild participant. <p>The status of a Section 3 worker shall not be negatively affected by prior arrest or conviction.</p>
	<p>Targeted Section 3 Workers:</p> <p>A Targeted Section 3 worker for housing and community development financial assistance means a Section 3 worker residing within a one-mile radius of the Section 3 project who is:</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> a. Living within the service area or the neighborhood of the project; or b. A YouthBuild participant.
<p>Section 3 Business Concerns:</p> <ol style="list-style-type: none"> 1. Businesses owned by 51% or more Section 3 residents; or 	<p>Section 3 Business Concerns:</p>

DHCD 2016 - 2020 Section 3 Action Plan Section 3 Proposed Rule 24 C.F.R. § 135	DHCD 2021 - 2025 Section 3 Action Plan Section 3 Final Rule 24 C.F.R. § 75 and Section 3 Benchmarks in FR-6085-N-04
<p>2. Businesses with at least 30% permanent, full-time employees of whom are currently Section 3 residents, or within 3 years of the date of first employment with the business concern were Section 3 residents; or</p> <p>3. Businesses providing evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to business concerns and meeting qualifications in items (1) or (2).</p>	<p>A business concern meeting at least one of the following criteria, documented within the last six-month period:</p> <p>1. It is at least 51% owned and controlled by low- and very low-income persons; or</p> <p>2. Over 75% of the labor hours performed for the business over the three-month period are performed by Section 3 workers or;</p> <p>3. It is a business at least 51% owned and controlled by current public housing residents or residents who currently living in Section 8-assisted housing.</p>
Section 3 Reporting	Section 3 Reporting
The Grantee submits Section 3 Summary Reports annually to HUD electronically through SPEARS.	The Grantee submits annually Section 3 activities using HUD’s IDIS/CAPER.

The DHCD amended its Section 3 Action Plan to reflect the Section 3 Final Rule 24 C.F.R. § 75 regulations. Once the FY 2021–2025 Section 3 Action Plan is approved by the County Council and County Executive, DHCD will incorporate its Section 3 Action Plan in its FY 2021 -2025 Consolidated Plan and Annual Action Plans covering FY 2022 – 2025.

2. FY 2021 – 2025 DHCD Section 3 Action Plan

The Section 3 Action Plan outlines the Department’s policies and procedures, ensuring that both low- and very low-income persons and local businesses benefit from this resource.

The Department’s Section 3 Action Plan describes Federal requirements (i.e., responsibilities, goals and strategies, reporting, and monitoring) pertaining to DHCD.

The Section 3 Action Plan serves as a guide for sub-recipients, contractors, and subcontractors awarded HUD funds to undertake Section 3 covered projects. It includes the DHCD Section 3 Action Plan for Contractors and Subcontractors to assist awardees in achieving their Section 3 employment and contracting goals.

Collaborative Opportunities

In April 2021, DHCD partnered with Employ Prince George's, Inc. (EPG). This partnership aims to assist the agency with meeting its Section 3 Safe Harbor requirements and strengthens the employment and contracting outreach strategies targeted for Section 3 residents and businesses. This employment and economic opportunities partnership will help to reinforce the County's "best efforts" for meeting the applicable Section 3 benchmarks established by HUD.

2.1 DHCD General Policy Statement

DHCD implements its Section 3 Policy to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) and implementing regulations at 24 C.F.R. § 75.

Section 3 Policy shall, to the "greatest extent feasible," result in the recruitment, employment, and contracting opportunities for Section 3 residents and business concerns for Section 3 covered contracts partially or wholly funded with Federal funds.

Section 3 applies to training, employment, contracting and other economic opportunities of projects related to housing rehabilitation, housing construction, and other public construction implemented with housing and community development assistance.

The following is a general description of DHCD programs which may include Section 3 covered activities.

- Community Development Block Grant (CDBG) - the CDBG Program is used to fund local community development activities, notably affordable housing, economic development, infrastructure, and public services, including housing rehabilitation, and public construction (i.e., street repairs, water and sewer, etc.) benefitting primarily low and very low-income persons.⁷
- HOME Investment Partnerships (HOME) - the HOME Program is designed to create affordable housing for low and very low-income households, expand the capacity of non-profit housing providers, strengthen the ability of State and local governments to provide housing, and leverage private sector participation in housing projects.⁸
- Emergency Solutions Grants (ESG) – the ESG supports outreach to and shelters homeless individuals and families as well as provide supportive programs which prevent homelessness. ESG funds may also be used for renovating buildings to be used as

⁷ December 15, 2015, CDBG Interim Final Rule 24 C.F.R. § 570

⁸ July 24, 2013, HOME Final Rule 24 C.F.R. § 92

emergency shelter for homeless families and individuals, and operating emergency shelters.⁹

- Section 108 Loan Guarantee Program (Section 108) – The County is applying to HUD to establish a Section 108 Loan Guarantee Pool to support housing rehabilitation, economic development, and mixed-use and mixed-income housing development. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. Local governments may borrow funds, guaranteed by HUD, through the Section 108 program and must pledge current and future CDBG allocations as security for the loan.¹⁰
- Lead-Based Paint Hazard Control Grant Program (LBPHC) and Lead Hazard Reduction Demonstration Grant Program (LHRD) – the LBPHC and LHRD programs identify and control lead-based paint hazards in eligible privately owned rental or owner-occupied housing. Funds may be used for activities such as: renovation, remodeling, housing rehabilitation, property maintenance, and weatherization.¹¹ Currently, DHCD does not receive any of these funds.

2.2 Applicability

Section 3 applies to housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of HUD financial assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs. HUD will update the threshold not less than once every five (5) years based on a national construction cost inflation factor through Federal Register notices.

Section 3 covered projects may include water and sewer repairs, roads, bridges or enhancements to business facades in low to moderate-income communities. The project site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.

2.3 Compliance with Section 3

The Section 3 provision seeks to ensure employment and other economic opportunities generated by HUD financial assistance shall, to the “greatest extent feasible,” be directed to low 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- and very low-income persons.

⁹ December 5, 2011, ESG Final Rule 24 C.F.R. § 576

¹⁰ December 15, 2015, CDBG Interim Final Rule 24 C.F.R. § 570

¹¹ June 21, 2004 Lead-Based Paint Poisoning Prevention in Certain Residential Structures Final Rule 24 C.F.R. § 35

This also means recipients of Section 3 covered financial assistance should make every effort possible to meet the regulatory requirements. This could mean that the effort may have to go beyond the normal employment and contracting procedures by developing strategies specifically targeting Section 3 residents and businesses for these types of economic opportunities.

2.4 Employment and/or Contracting Opportunities

Any employment or contracting opportunities generated by the expenditure of a Section 3 covered project, including professional services, and construction, are subject to compliance with Section 3. Professional services mean non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, architectural services, and civil engineering services. The chart below lists other examples of employment opportunities.

Examples of Employment and/or Contracting Opportunities

▪ Accounting	▪ Electrical	▪ Marketing
▪ Architecture	▪ Elevator Construction	▪ Painting
▪ Appliance Repair	▪ Engineering	▪ Payroll Photography
▪ Bookkeeping	▪ Fencing	▪ Plastering
▪ Bricklaying	▪ Florists	▪ Plumbing
▪ Carpentry	▪ Heating	▪ Printing Purchasing
▪ Catering	▪ Iron Works	▪ Research
▪ Cement/Masonry	▪ Janitorial	▪ Surveying
▪ Computer/Information	▪ Landscaping	▪ Tile Setting
▪ Demolition	▪ Machine Operation	▪ Transportation
▪ Drywall	▪ Manufacturing	▪ Word Processing

2.5 Section 3 Workers and Targeted Section 3 Workers

The application of the Section 3 provision¹² is designed to benefit both local citizens and business concerns. The regulations define both groups as follows:

Section 3 Workers:

Any worker who currently fits or when hired within the past five (5) years fit at least one (1) of the following categories:

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

¹² September 29, 2020, Section 3 Final Rule 24 C.F.R. § 75.5

The status of a Section 3 worker shall not be negatively affected by prior arrest or conviction.

Targeted Section 3 Workers:

A Targeted Section 3 worker for housing and community development financial assistance means a Section 3 worker residing within a one-mile radius of the Section 3 project 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:
 - Living within the service area or the neighborhood of the project; or
 - A YouthBuild participant.

2.6 Section 3 Business Concerns

A business is considered Section 3 business concern if it meets at least one (1) of the following criteria, documented within the last six-month period:

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

Evidence of Section 3 Certification:

Contractors or subcontractors seeking Section 3 preference in the awarding of a HUD-funded contract shall self-certify compliance with one of the regulatory definitions of a Section 3 business¹³ by completing a HUD Section 3 Business Registry Form.¹⁴ The contractor or subcontractor shall provide adequate documentation as evidence of eligibility for preference under the Section 3 Program.

2.7 Responsibilities of DHCD and Sub-recipients

The DHCD and Sub-recipients (i.e., non-profit organizations, municipalities, local government agencies, or developers) that receive CDBG, HOME, ESG, Section 108, LBPHC, and LHRD bear the responsibility to comply with Section 3 covered assistance. Responsibilities include:

¹³ September 29, 2020, Section 3 Final Rule 24 C.F.R. § 75.5

¹⁴ This form is available online at: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/BRegistryHome>.

1. Notifying Section 3 residents about employment and training opportunities and businesses regarding contracts generated by Section 3 covered assistance;
2. Notifying potential contractors and subcontractors of the Section 3 objectives and ways in which each contractor can assist the sub-recipient to meet Section 3 benchmark; and
3. Documenting the action(s) taken by the contractor or subcontractor to comply with the Section 3 requirements, the results of the actions, and impediments, if any.

The DHCD and Sub-recipients bear the responsibility to ensure compliance of contractors and subcontractors. The DHCD and sub-recipients shall:

1. Incorporate the Section 3 Clause into contract documents;
2. Conduct compliance reviews consisting of detailed analysis and evaluation of the contractor's and subcontractor's compliance with Section 3 requirements;
3. Notify contractors and subcontractors of non-compliance and direct instructions to obtaining compliance of regulation 24 C.F.R. § 75;
4. Refrain from entering into contracts with contractors or subcontractors in violation of the regulations 24 C.F.R. § 75; and
5. Respond to complaints alleging non-compliance of regulation 24 C.F.R. § 75 by Section 3 residents or business concerns.

2.8 Section 3 Goals and Strategies

In efforts to ensure the objectives of Section 3 are met in the use of applicable Federal funds in the County, DHCD established the following goals and strategies.

Section 3 Goals

In efforts to meet or exceed the applicable Section 3 benchmarks established by HUD, DHCD aims to accomplish the following annual goals through its Section 3 projects.

2021 – 2025 Section 3 and Local Benchmarks							
Annual Goal	Source of Funds	County FY Year	Performance Indicators	Number of Labor Hours worked by all Workers	Number of Labor Hours worked by Section 3 Workers	Number of Labor Hours worked by Targeted Section 3 Workers	Percent Met
Meet or exceed the 25% applicable Section 3 Benchmarks established by HUD: 35% of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and 5% of the total number of labor hours worked by all workers on a Section project are Targeted Section 3 workers.	CDBG, HOME, ESG, Section 108, LBPHC and LHRD	2022 2023 2024 2025	Number of labor hours worked				
		MULTI-YEAR GOAL TOTALS					

Strategies to Achieve Section 3 Goals

The DHCD plans to use the following strategies to achieve the Section 3 Benchmarks:

Strategy: DHCD shall require contractors and subcontractors to provide justification for not utilizing Section 3 workers or Targeted Section 3 workers.

Failure to submit these documents shall constitute a breach of contract and may result in termination of the contract.

Strategy: DHCD shall standardize Section 3 requirements in all written agreements with contractors and subcontractors.

Strategy: DHCD shall require sub-recipients to monitor and enforce the DHCD Section 3 Action Plans for Contractors and Subcontractors timely.

Strategy: DHCD shall provide updated DHCD Contractor and Subcontractor with the Section 3 Action Plan and request that sub-recipients provide it to their contractors and subcontractors.

Strategy: DHCD shall provide the sub-recipients, contractors, and subcontractors with a list of Section 3 business concerns interested and qualified for all proposed Section 3 covered projects.¹⁵

Strategy: DHCD shall require Section 3 covered sub-recipients to utilize, maintain, and monitor contractors and subcontractors using required documents in the DHCD Section 3 Action Plan for Contractors and Subcontractors.

The sub-recipient, contractors, and subcontractors are required to keep records as necessary to demonstrate Section 3 compliance and submit copies of these records to DHCD.

Failure to submit these documents shall constitute a breach of contract and may result in termination of the contract.

Strategy: DHCD shall include a provision notifying prospective applicants that Section 3 and the regulations in 24 C.F.R. § 75 are applicable to all funding awards during its announcements of notices of funding availability (NOFAs).

Strategy: DHCD shall require prospective applicants of Section 3 Covered projects to demonstrate efforts to reach the Section 3 Goals.

2.9 Employment and Economic Opportunities for Section 3 Workers

The Department of Housing and Community Development (DHCD) has joined the Prince George's County American Job Center Network¹⁶ partnered with Employ Prince George's, Inc. (EPG) to assist the agency with meeting its Section 3 Safe Harbor requirements. Both agencies have agreed that EPG's Construction Works Program can serve as a valuable tool for job seekers and businesses to connect to DHCD's Section 3 covered projects.

Employ Prince George's Construction Works Program prepares County job seekers with the training that leads to entry to middle-skilled employment opportunities with the high growth-high demand Construction Industry. In addition, this Program connects job seekers with local businesses that participate in the Construction Works Program for employment.

¹⁵ Section 3-based Business Concerns Directory for contractors and subcontractors seeking to do business in Prince George's County: <http://www.hud.gov/Sec3Biz>.

¹⁶ Prince George's County American Job Center Network: <http://pgcajc.com>

The Program partners with numerous businesses, Prince George’s County Public Schools, Prince George’s County Community College, private career schools, nontraditional educational entities, and Maryland Department of Labor Workforce Innovation and Opportunity Act (WIOA) Eligible Training Providers to provide superior construction trades training.

The EPG Construction Works Program will be staffed with a Construction Works Program Coordinator and a Construction Works Program Business Consultant. The Construction Works Program Coordinator will enroll Section 3 job seekers into the Program, provide one-on-one services to help remove barriers to employment, and assist them with achieving their employment goals. In addition, the Construction Works Program Coordinator will partner with the Construction Works Program Business Consultant to connect program graduates with Section 3 business concerns, local businesses that have employment opportunities in the Construction and Real Estate Industries.

Employ Prince George’s, Inc. will also help to market the DHCD Section 3 Action Plan for Contractors and Subcontractors by participating in DHCD subrecipient technical assistance workshops, pre-bid and pre-construction conferences.

DHCD will encourage sub-recipients, contractors, and subcontractors to participate in the EPG Construction Works Program to help ensure compliance with the Section 3 Safe Harbor requirements.

2.10 Monitoring

Monitoring is an integral management control technique and a Government Accountability Office (GAO) standard. It is an ongoing process that assesses the quality of a program and participants’ performance. Monitoring provides information about program participants that is critical for making informed judgments about program effectiveness and management efficiency.

It is DHCD’s responsibility to ensure that the sub-recipients, contractors, and subcontractors meet all Section 3 requirements. If the requirements are not met, DHCD shall make a finding of noncompliance. A finding is a deficiency in program performance based on a statutory and regulatory program requirements for which sanctions or other corrective actions are authorized. Failure to comply could result in a recovery of HUD funds.

The following describes DHCD’s Section 3 monitoring checklist:

- If the sub-recipient implemented procedures to notify Section 3 residents and business concerns about employment, training, and contracting opportunities generated by its agency or covered contractors;
- If the sub-recipient notified covered contractors and subcontractors about their responsibilities pursuant to Section 3;
- If the sub-recipient included the Section 3 Clause in covered contracts;

- If the sub-recipient monitored its covered contractors and subcontractors for compliance with Section 3 and imposed penalties for noncompliance as appropriate;
- If the sub-recipient or its contractors and subcontractors met the goals for employment and contracting opportunities;
- If the sub-recipient provided an explanation if the contractors and subcontractors failed to meet the goals for Section 3; and
- If the sub-recipient’s annual Section 3 reporting requirements were met on a timely basis.

2.11 Section 3 Reporting Requirements

The DHCD is required to report annually Section 3 activities using HUD’s Integrated Disbursement and Information System (IDIS)/Consolidated Performance Evaluation Report (CAPER). The CAPER highlights DHCD’s achievements in providing decent housing, suitable living environments, and expanding economic opportunities for low to moderate-income residents. The CAPER is due to HUD sixty (60) days after the program year ends. DHCD’s CAPER’s is due at the end of September each year.

The IDIS Section 3 report in the CAPER will correspond to the covered projects and activities that received Federal funding (i.e., CDBG, HOME, ESG, Section 108, etc.). Projects for which assistance or funds are committed after July 1, 2020, are subject to the new Section 3 regulations. The DHCD will include a summary of the Section 3 Summary Report(s) in its CAPERs.

2.12 Section 3 Workers or Section 3 Business Complaints

Any Section 3 workers or Section 3 businesses (or authorized representatives) may file a written complaint, official title “Complaint Register Under Section 3 of the HUD Act of 1968 form HUD-958,” with the local HUD Field Office or mail it to:

The Assistant Secretary for Fair Housing and Equal Opportunity
Attn: Office of Economic Opportunity
U.S. Department of Housing and Urban Development
451 Seventh Street, S.W., Room 5100
Washington, D.C. 20410-2000

A written complaint should contain:

- Name and address of the person filing the complaint
- Name and address of subject of complaint (HUD recipient, contractor or subcontractor)
- Description of acts or omissions in alleged violation of Section 3
- Statement of corrective action sought (i.e., training, employment or contracts)

Internal Section 3 Complaint Procedure

Complaints generated due to non-compliance through an internal process, DHCD encourages submittal of complaints to its Section 3 Coordinator. A written complaint should be mailed to:

DHCD Office of the Director
Attention: Senior Compliance Officer
Prince George's County Department of Housing and Community Development
9200 Basil Court, Suite 500
Largo, Maryland 20774

(301) 883-5531

Attachment:**DHCD Contractor and Subcontractor Section 3 Action Plan**

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PRINCE GEORGE'S COUNTY, MARYLAND

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SECTION 3 ACTION PLAN FOR CONTRACTORS AND SUBCONTRACTORS

FINAL

NAME OF CONTRACTOR: _____

NAME OF SUB-RECIPIENT: _____

PROJECT NAME: _____

PROJECT IDIS NO: _____



Prince George's County affirmatively promotes equal opportunity and does not discriminate on the basis of race, color, gender, religion, ethnic or national origin, disability, or familial status in admissions or access to benefits in programs or activities.

Updated: 9/27/2023

Introduction

The Prince George's County Department of Housing and Community Development (DHCD) is the lead agency responsible for administering the following federal programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Solutions Grants (ESG)
- Section 108 Loan Guarantee Program (Section 108)
- Lead-Based Paint Hazard Control Grant Program (LBPHC) and Lead Hazard Reduction Demonstration Grant Program (LHRD)

These federal funds are allocated by the U.S. Department of Housing and Urban Development (HUD) and provide housing and housing and community development assistance to primarily low and very low-income residents of Prince George's County. A significant portion of these federal funds are used to carry out housing rehabilitation, housing construction, and other public construction projects. Whenever the total amount of HUD financial assistance to a project exceeds a threshold of \$200,000 dollars it is defined by HUD as a "Section 3" covered project. The threshold is \$100,000 when the assistance is from the LBPHC and LHRD programs.

The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low and very low-income persons.

The DHCD will be considered to have complied with the Section 3 Safe Harbor requirements if "to the greatest extent feasible" each Section 3 covered project is able to:

1. Certify the Prioritization of Efforts:
 - a) Employment and training opportunities to Section 3 workers; and
 - b) Award contractors and subcontractors that provide economic opportunities for Section 3 workers.
2. Meet or exceed the applicable Section 3 Benchmarks established by HUD:
 - a) Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
 - b) Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the thirty-five percent (35%) threshold.

Section 3 covered projects include housing rehabilitation, housing construction, and other public construction such as infrastructure related projects. These projects may include water and sewer repairs, roads, bridges or enhancements to business facades in low to moderate-income communities. The project site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.

Section 3 is not applicable when program funds are invested in direct assistance to homebuyers, acquisition, and administration, because these are not construction activities.

In efforts to utilize DHCD's federal programs to maximize economic opportunities for low and very low-income persons, the contractor and subcontractor are required to prepare a Section 3 Action Plan.

The DHCD has joined the Prince George's County American Job Center Network, partnered with Employ Prince George's, Inc. (EPG) to assist the agency with meeting its Section 3 Safe Harbor requirements. Both agencies have agreed that EPG's Construction Work Program can serve as a valuable tool for job seekers and businesses to connect to DHCD's Section 3 covered projects.

Employ Prince George's Construction Works Program prepares County job seekers with the training that leads to entry to middle-skilled employment opportunities with the high growth-high demand Construction Industry. In addition, this Program connects job seekers with local businesses that participate in the Construction Work Program for employment.

DHCD encourages sub-recipients, contractors, and subcontractors to participate in the EPG Construction Work Program to help ensure compliance with the Section 3 Safe Harbor requirements. Please contact EPG Construction Work Program at:

Employ Prince George's Construction Work Program:

1801 McCormick Drive, Suite 400
Largo, MD 20744

301-618-8400

Contact info for employers/contractors: BusinessServices@co.pg.md.us

Contact info for job seekers: wsd@co.pg.md.us

The following outlines the contents of the Contractor and Subcontractor Section 3 Action Plan.

Exhibit A: General Statement

- Exhibit A-1: Equal Employment Opportunity Agreement
- Exhibit A-2: Program Assurance of Compliance
- Exhibit A-3: Estimated Project Workforce Breakdown
- Exhibit A-4: Proposed Contracts/Subcontracts Breakdown
- Exhibit A-5: Actual Contracts/Subcontracts Breakdown
- Exhibit A-6: Section 3 Business Concern Utilization
- Exhibit A-7: Section 3 Summary Report
- Exhibit A-8: Section 3 Projects Income Limits
- Exhibit A-9: Section 3 Flyers

Exhibit B: Regulatory Definitions

Exhibit C: Helpful Links

EXHIBIT A

General Statement:

_____, as the contractor is committed to comply with the Section 3 regulations (24 C.F.R. § 75). It is our desire to work together to ensure compliance to the “greatest extent feasible”, through awarding of contracts for work and services to Section 3 Business Concerns, and to provide employment and training to Section 3 Workers. All subcontractors interested in submitting bids for contracts will be informed of the Section 3 requirements and goals.

Section 3 Goals:

The _____ will be considered to have complied with the Section 3 Safe Harbor requirements if “to the greatest extent feasible” they:

3. Certify the Prioritization of Efforts:
 - c) Employment and training opportunities to Section 3 workers; and
 - d) Award contractors and subcontractors that provide economic opportunities for Section 3 workers.
4. Meet or exceed the applicable Section 3 Benchmarks established by HUD:
 - c) Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
 - d) Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the thirty-five percent (35%) threshold.

Outreach:

We are committed to conduct an aggressive outreach campaign to make Section 3 Business Concerns and Section 3 Workers aware of contracting and hiring opportunities in connection with this Section 3 Covered Project. Efforts will include, but not limited to, publication of opportunities in the local newspapers, use of signage at the project site, flyers posted in the neighborhood, and surrounding areas, notification of local housing authorities, employment agencies, and local YouthBuild chapters.

Section 3 Covered Project Neighborhood Area:

Attachments:

The following attachments are incorporated into and made a part of this Section 3 Action Plan:

- ____ Exhibit A-1: Equal Employment Opportunity Agreement
- ____ Exhibit A-2: Assurance of Compliance with HUD Regulations for Training, Employment, and Contracting Opportunities for Businesses and Lower Income Persons

____ Exhibit A-3: Estimated Project Work Force Breakdown

____ Exhibit A-4: Proposed Contracts/Subcontracts Breakdown

We agree to provide to the Department of Housing and Community Development the following documentations as soon as the information is available:

- Exhibit A-5: Actual Project Workforce Breakdown
- Exhibit A-6: Section 3 Business Utilization
- Exhibit A-7: DHCD Section 3 Summary Report
- Evidence of Outreach to Solicit Bids from Section 3 Business Concerns

Date: _____

Contractor: _____

(Print Name and Title)

Signature of Contractor: _____

**PRINCE GEORGE'S COUNTY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
EQUAL EMPLOYMENT OPPORTUNITY AGREEMENT**

On behalf of _____, I hereby commit to offering equal opportunity in providing training opportunities, hiring, contracting and purchasing to all qualified job applicants, contractors, subcontractors, vendors, suppliers and other business-related providers of goods and services without regard to race, age, color, sex, religion, national origin, physical disability or mental disability. The practice of non-discrimination will include, but not be limited to assuring equal opportunity in contracting, recruitment, training, hiring, placement, promotion, rate of pay and other compensation and termination.

I/we will comply with all relevant federal, state, and local regulations, administrative and executive orders requiring non-discrimination including but not limited to:

- (1) Federal Executive Order 11246 "Goals and Timetables for Females and Minority Participation in the Construction Industry".
- (2) The Civil Rights Act of 1964 as amended.
- (3) The Americans with Disabilities Act ("ADA") of 1990.
- (4) The Equal Employment Opportunities Act of 1992 as it relates to employment opportunities for local, small, and disadvantaged businesses.
- (5) Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992. ("Section 3")

(A) COMPLIANCE

- (1) I understand that all contracts and subcontracts, which are entered into under this agreement are to contain the Assurance of Compliance form.
- (2) My firm will require all contractors and/or subcontractors to exert their best efforts to provide low/and very low-income persons with employment and training opportunities and to provide businesses which are owned in part or wholly by persons living within the project area and who employ low and very low-income persons with contract opportunities.
- (3) I understand that failure to carry out the requirements position out herein shall constitute a breach of contract and may result in termination of the contract/funding.

- (4) My firm will fulfill our obligations to utilize Section 3 business concerns by developing and implementing an affirmative action plan.
- (5) My firm will incorporate the following "Section 3 clause" in all contracts for work on this covered project:

"The Section 3 Clause"

- (a). The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the area of the Section 3 covered project, and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing the area of the Section 3 covered project.
- (b). The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 75, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability, which would prevent them from complying with these requirements.
- (c). The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- (d). The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal Financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 75. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 75 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- (e). Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 75, and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 75.

(B) RECORDS AND REPORTS

- (1) My firm will keep such records as are necessary to demonstrate its compliance with the requirements of Section 3.
- (2) My firm will maintain records and submit copies of these records, which document actions taken, and the results of those actions.

I/we will faithfully and forthrightly implement all necessary and practicable steps, procedures and plans to assure achievement of the stated goals. On-going communication and solicitation of local businesses and job applicants will continue prior to, during and after completion of the project or contract work in order to achieve the stated goals. Continuous and on-going coordination prior to, during and throughout lease-up and hiring will be carried out in cooperation with the Department of Housing and Community Development and other organizations and institutions that would be useful in achieving the goals and commitments stated herein.

I/we will advertise employment, business and contractor opportunities in local and community newspapers, trade journals and other publications on a regular basis in order to assure wide distribution and knowledge of available opportunities.

The undersigned by their signatures certify that they have the authority necessary and requisite to legally bind the corporation to this agreement:

Witness

Name of Authorized Official

Date

Signature of Authorized Official

Date

PRINCE GEORGE'S COUNTY COMMUNITY DEVELOPMENT
PROGRAM ASSURANCE OF COMPLIANCE
WITH DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REGULATIONS FOR
TRAINING, EMPLOYMENT, AND CONTRACTING OPPORTUNITIES FOR BUSINESSES AND
LOW- AND VERY LOW-INCOME PERSONS

Project Title: _____

- A. The project assisted 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 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.
- B. Notwithstanding any other provision of this contract, the contractor shall carry out the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 75 (published in 85 Federal Register 61562, September 29, 2020), and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this contract. The requirements of said regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned in substantial part by persons residing in the area of the project; the making of a good faith effort, as defined by the regulation to provide training, employment, and business opportunities required by section 3; and incorporation of the "section 3 clause" specified by Section 75.27 of the regulations in all contracts for work in connection with the project. The contractor certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these requirements.
- C. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 75, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this contract shall be a condition of the Federal financial assistance provided to the project, binding upon the contractor, its successors and assigns. Failure to fulfill these requirements shall subject the contractor and his subcontractors, its successors, and assigns to the sanctions specified by this contract, and to such sanctions as are specified by 24 CFR Section 75.

Date _____

(Contractor)

(Contractor's Mailing Address)

BY _____
(Authorized Official Signature)

EXHIBIT A-3

ESTIMATED PROJECT WORK FORCE BREAKDOWN

JOB CATEGORY	TOTAL ESTIMATED POSITIONS NEEDED FOR PROJECT	NUMBER POSITIONS OCCUPIED BY PERMANENT EMPLOYEES	NUMBER OF POSITIONS NOT OCCUPIED	NUMBER OF POSITIONS TO BE FILLED WITH SECTION 3 WORKER	NUMBER OF POSITIONS TO BE FILLED WITH A SECTION 3 TARGETED WORKER
Officer/Supervisor					
Professionals					
Technical					
Hsg. Sales/Rental Management					
Office/Clerical					
Service Workers					
Others					
TRADE:					
Journeyman					
Helpers					
Apprentices					
Trainees					
Others					
TRADE:					
Journeyman					
Helpers					
Apprentices					
Trainees					
Others					

Company: _____ Project IDIS No: _____

Persons Completing Form: _____ Project Name: _____

EXHIBIT A-4

PROPOSED CONTRACTS/SUBCONTRACTS BREAKDOWN

TYPE OF CONTRACT (BUSINESS OR PROFESSIONAL)	TOTAL NO.	TOTAL APPROX. DOLLAR AMOUNT	ESTIMATED NO. OF CONTRACTS TO SECTION 3 BUSINESS CONCERNS	ESTIMATED DOLLAR AMOUNT TO SECTION 3 BUSINESS CONCERNS

Company: _____ Project IDIS No: _____

Persons Completing Form: _____ Project Name: _____

EXHIBIT A-5

ACTUAL CONTRACTS/SUBCONTRACTS BREAKDOWN

TYPE OF CONTRACT (BUSINESS OR PROFESSIONAL)	TOTAL NO.	TOTAL APPROX. DOLLAR AMOUNT	NO. OF CONTRACTS TO SECTION 3 BUSINESS CONCERNS	DOLLAR AMOUNT TO SECTION 3 BUSINESS CONCERNS

Company: _____ Project IDIS No: _____

Persons Completing Form: _____ Project Name: _____

EXHIBIT A-6

SECTION 3 BUSINESS CONCERN UTILIZATION

Project No: _____ Total Dollar Amount of Contract: _____

Name of Prime Contractor: _____ Address: _____

Federal Identification No: _____

NAME OF SUBCONTRACTOR	SECT. 3 Business Concern	ADDRESS AND PHONE NO.	TRADE/SERVICE OR SUPPLY	CONTRACT AMOUNT	AWARD DATE	COMPETITIVE OR NEGOTIATED NO.	FEDERAL IDENTIFICATION NO.

TOTAL DOLLAR AMOUNT AWARDED TO SECTION 3 BUSINESS CONCERN \$ _____

**Prince George's County, Maryland
Department of Housing and Community Development
Section 3 Summary Report**

1. Recipient Name and Address (Street, City, and Zip Code)	2. IDIS Number	3. Project Name
	4. Contact Person	5. Phone (Include Area Code)
	6. Dollar Amount of Award	7. Date Report Submitted
	8. Program Code*	9. Program Name

Part I: Employment and Training Opportunities

Job Category	Number of Workers	Number of Section 3 Workers	Number of Section 3 Targeted Workers	Number of Section 3 Workers and Trainees	Number of Section 3 Targeted Workers and Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List)					
Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

*Program Codes	1	2	3	4	5
	CDBG	HOME	ESG	Section 108	LBPHC/LHRD

Prince George's County, Maryland
Department of Housing and Community Development
Section 3 Summary Report
Economic Opportunities for Low- and Very Low-Income Persons

Part II: Section 3 Labor Report					
Total Labor Hours	Section 3 Labor Hours	% of Section 3 Labor Hours	Total Targeted Labor Hours	Targeted Section 3 Workers Labor Hours	% of Section 3 Workers Labor Hours
Part III: Summary of Qualitative Efforts					
Indicate the efforts made to direct employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)					
<input type="checkbox"/>	Outreach efforts to generate job applicants who are Targeted Section 3 workers				
<input type="checkbox"/>	Training/apprenticeship opportunities				
<input type="checkbox"/>	Technical assistance provided to help Section 3 workers compete for jobs (resume assistance, etc.)				
<input type="checkbox"/>	Provide/connect Section 3 workers with assistance in seeking employment				
<input type="checkbox"/>	Holding job fairs				
<input type="checkbox"/>	Provided/referred Section 3 workers to services supporting work readiness and retention				
<input type="checkbox"/>	Provided assistance to apply for/or attend education/vocational training				
<input type="checkbox"/>	Provide financial literacy training				
<input type="checkbox"/>	Engaged in outreach to identify and secure bids from Section 3 business concerns				
<input type="checkbox"/>	Provided technical assistance to Section 3 business concerns to help them understand Section 3 requirements				
<input type="checkbox"/>	Provided bonding assistance, guarantees, or other efforts to support viable bids from Section 3 business concerns				
<input type="checkbox"/>	Promoted use of Section 3 business registry and HUD Opportunity Portal				
<input type="checkbox"/>	Outreach, engagement, or referrals with the Employ Prince George's Construction Works Program				

Note: Documentation of qualitative efforts made by the Contractor and Subcontractor should be maintained. Documentation might include:

- Copies of direct mail solicitations
- Email and internet outreach efforts
- Formal advertisements
- Flyers or brochures about meetings
- Sign-in lists from job fairs and other public meetings
- Agendas and/or meeting notes from meetings with contractors

In accordance with Section 3 guidelines at 24 C.F.R. § 75, the Department of Housing and Community Development is required to report Section 3 activities using HUD's Integrated Disbursement and Information System. The information will be used to monitor program recipients' compliance with Section 3. An assurance of confidentiality is not applicable to this form. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

EXHIBIT A-8

Department of Housing and Community
Development Section 3 Projects Income
Limits
Effective June 15, 2023

FY 2023 Median Family Income: \$152,100

Household Size	Extremel y Low Income (30% AMI = Maximum Income)	Very Low Income (50% AMI = Maximum Income)	Low Income (80% AMI = Maximum Income)	Uncapped FY 2023 Low Income Limits
1	\$31,650	\$52,750	\$66,750	\$84,400
2	\$36,200	\$60,300	\$76,250	\$96,450
3	\$40,700	\$67,850	\$85,800	\$108,500
4	\$45,200	\$75,350	\$95,300	\$120,550
5	\$48,850	\$81,400	\$102,950	\$130,200
6	\$52,450	\$87,450	\$110,550	\$139,850
7	\$56,050	\$93,450	\$118,200	\$149,500
8	\$59,700	\$99,500	\$125,800	\$159,150

Source: U.S. Department of Housing and Urban Development (<http://www.huduser.org>)



WHAT WE DO

CWP is a DHCD Section 3 Workforce Support Program

- FREE Industry Certified Training
- One-on-One Career Counseling
- Job Placement Assistance
- Basic Skills Training
- Supportive Services
- Pre-Apprenticeships

Training Programs available for the following:

- Carpentry
- Commercial Painting
- Electrician
- Heavy Equipment Operator
- Highway Maintenance/Repair Worker
- Welder
- Commercial & Residential
- Commercial Truck Driver
- General Construction Laborer



General Eligibility Requirements:

- ☐ Proof of Residency in Prince George's County
- ☐ Proof of Family Income (Income guidelines may apply)
- ☐ Proof of eligibility to work in the U.S.
- ☐ Proof of Registration for Selective Services
(males born on or after January 1, 1960)

If you are interested in enrolling in the Construction Works Program or would like more information, visit us at www.EmployPG.org call us at (301) 618-8445.

www.EmployPG.org

The CWP will provide eligible Prince George's County residents with everything you need to gain employment in the construction industry.



CONSTRUCTION JOBS AVAILABLE

Employ Prince George's announces the availability of jobs through its Prince George's County Department of Housing and Community Development Section 3 Workforce Support Program, the Construction Works Program.

What is the Construction Works Program?

- The Construction Works Section 3 program offers jobs for low-income individuals who are bonafide residents of public housing or who live in the area where a HUD-assisted project is located and whose household income falls below HUD's income limits.
- Jobs are available for laborers, landscapers, electricians, plumbers, carpenters, and office/clerical assistants.
- Please visit www.EmployPG.org/CWP to enroll in the program or attend one of our weekly information sessions via the information below.

Information Sessions:

Zoom Link: www.EmployPG.org/DHCD_CWP

Every Thursday - 1:00 PM

Meeting ID: 874 9732 9493 | PC: 1234567



For More Information, Contact Us Today at WSD@co.pg.md.us or at **301-618-8425!**



EXHIBIT B

Regulatory Definitions

Applicant – any entity which makes an application for Section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency or other public body, public or private non-profit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. The selected vehicle is referred to as the “recipient” for purposes of Section 3.

Business Concern – a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

Contractor – any entity entering into a contract with:

1. A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or
2. A subrecipient for work in connection with a Section 3 project.

“Greatest Extent Feasible” - means that every effort must be made to comply with the requirements of Section 3. This also means that recipients of Section 3 covered financial assistance should make every effort within their disposal to meet the regulatory requirements.

Low-income person – families (including single persons) with income at 80 percent (80%) of the Area Median Income (AMI) or lower.

Neighborhood Area - a geographical location(s) within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in ordinances, or other local documents as a neighborhood, village, or similar geographical designation, or meets HUD community development programs meets the definition at 24 C.F.R. § 570.204 (c)(1).

Public Housing Resident – person meeting the requirement at 24 C.F.R. § 963.

Recipient or Sub-recipient – any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State unit of local government, PHA, or other public body, public or private non-profit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

Section 3 – Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

HUD Section 3 Benchmarks –

1. Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
2. Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the Thirty-five percent (35%) threshold.

Prince George's County Section 3 Benchmarks –

1. Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
2. Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the Thirty-five percent (35%) threshold.

Section 3 Business Concern -

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

The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.

Section 3 Covered Assistance –

1. Public housing development assistance provided pursuant to Section 5 of the 1937 Act;
2. Public housing operating assistance provided pursuant to Section 9 of the 1937 Act;
3. Public housing modernization assistance provided pursuant to Section 14 of the 1937 Act;
4. Assistance provided under any HUD housing or community development program that is expended for work arising in connection with housing rehabilitation, construction, or other public construction project (which includes other buildings or improvements, regardless of ownership.)

Section 3 Clause – the contract provisions set forth in 24 C.F.R. § 75.27.

Section 3 Covered Contracts – a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 covered contracts do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation (FAR). Section 3 covered contracts also do not include contracts for the purchase of supplies and materials. However, whenever a contract for

materials includes the installation of the materials, the contract constitutes a Section 3 covered contract.

Section 3 Covered Project – the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 Resident – public housing resident or an individual who resides in the metropolitan area or a nonmetropolitan county in which Section 3 covered assistance is expended and who is considered to a low-to very low-income person.

Section 3 Worker – Any worker who currently fits or when hired within the past five (5) years fit at least one (1) of the following categories:

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

The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.

Service Area – an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, 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.

Subcontractor – any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

Targeted Section 3 Worker for Housing and Community Development Financial Assistance – 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 at least one of the following categories, as documented within the past five (5) years:
 - a) Living within the service area or the neighborhood of the project; or
 - b) A YouthBuild participant.

Very low-income person – families (including single persons) with income at 50 percent of the AMI or lower.

YouthBuild Participant – A participant receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

EXHIBIT C

Helpful Links

To search the database for self-certified Section 3 businesses, register your business for inclusion, or for more information on the Business Registry, please visit <http://www.hud.gov/Sec3Biz>.

How to match residents to jobs and training opportunities, and businesses to contracting opportunities: <https://hudapps.hud.gov/OpportunityPortal/>.

How to file a Section 3 Complaint:

https://www.hud.gov/program_offices/field_policy_mgt/section3/complaint_register.

Frequently Asked Questions (FAQs) for Section 3:

<https://www.hud.gov/sites/dfiles/FPM/documents/Section-3-FAQs.pdf>

Employ Prince George's Construction Work Program:

1801 McCormick Drive, Suite 400
Largo, MD 20744

301-618-8400

Contact info for employers/contractors: BusinessServices@co.pg.md.us

Contact info for job seekers: wsd@co.pg.md.us

Copies of the FY 2021 - 2025 DHCD Section 3 Action Plan: are available on the County's website at www.princegeorgescountymd.gov/sites/dhcd/resources/plansandreports. To obtain a copy of the Plan, contact the Department of Housing and Community Development at: 301-883-5570 or 301-883-5540.

Department of Housing and Community Development
Community Planning and Development Division

Aspasia Xypolia, Director, DHCD
Tamika Gauvin, Deputy Director, DHCD

9200 Basil Court, Suite 500
Largo, Maryland 20774

Telephone: 301-883-5570 or TDD: 301-883-5428