Ohio Department of Development

Office of Community Development
Section 3 Procedures Summary[1]

Identification

- Starting PY 2021, the Office of Community Development (OCD) identifies Section 3 projects and provides a notification of Section 3 status upon grant award.
- Section 3 projects are housing rehabilitation, housing construction, and other public construction projects when the total amount of HUD assistance to the project exceeds $200,000 (full regulations at 24 CFR 75).

Qualitative Efforts

- Grantees and their contractors and subcontractors should make qualitative efforts to meet Section 3 benchmarks and assist low- and very low-income persons with employment and training opportunities. [24 CFR 75.25(b)]

Contract Solicitation

- Grantees must include Section 3 requirements in solicitations for Section 3 projects and provide required certification and report forms.

Contract Provisions

- Grantees must include the Section 3 clause in contracts for Section 3 Projects.

Section 3 Business Self-Certification

- A Contractor must submit a Section 3 Business Self-Certification form to the grantee to be classified as a Section 3 business concern.
- To qualify as a Section 3 Business Concern, a business must meet criteria outlined at 24 CFR 75.5.

Worker Certification

- Contractors must submit a Section 3 Worker Status Certification form for each worker on a Section 3 Project.
- Contractors must submit a Contractor Workforce Section 3 Certification form to the grantee with the first Monthly Section 3 Utilization Report.

Monthly Section 3 Utilization Report

- Contractors must submit Monthly Section 3 Utilization Reports to the grantee for the duration of the contract.

Reporting

- For a Section 3 project, grantees must report the total number of labor hours worked, the total number of labor hours worked by Section 3 workers, and the total number of labor hours worked by Targeted Section 3 workers.
- Section 3 data is submitted to OCD as part of a Notice of Contract Award (NOCA).

Recordkeeping

- Certifications
  - Section 3 Worker Status Certifications
  - Contractor Workforce Section 3 Certifications
  - Section 3 Business Self-Certification
- Monthly Section 3 Utilization Reports
- Documentation of Qualitative Efforts

[1]See OCD Policy 21-04 for more information