

SECTION 3 UTILIZATION PLAN

HOUSING AUTHORITY OF THE CITY RENO

1525 East 9th Street, Reno NV 89512

SECTION 3 COORDINATOR

Amber Salcido | 775.329.3630 ext. 284 | Section3@renoha.org

OVERVIEW OF SECTION 3 REQUIREMENTS

What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) that is regulated by the provisions of 24 CFR 75. Section 3 regulations ensure 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- 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.

Purpose of This Document

This plan outlines how the Housing Authority of the City of Reno ("RHA") and its subrecipients, contractors and subcontractors will comply with HUD's Section 3 requirements. RHA will, to the greatest extent feasible, ensure that employment and other economic opportunities are directed to low- and very low-income persons (Section 3 workers and Targeted Section 3 workers) and to eligible businesses (Section 3 Businesses) and requires the same of its contractors.

RHA may amend its Section 3 Policies and Procedures document as necessary to ensure continued compliance with HUD's requirements and/or to reflect updated Section 3 guidance and outreach strategies.

Applicability

For public housing financial assistance, all funding is covered, regardless of the amount of expenditure or size of a contract. This plan applies to development assistance, operating funds, capital funds, and all mixed-finance development.

For housing and community development financial assistance, this plan applies to housing rehabilitation, housing construction, and other public construction projects that exceed \$200,000 or more of housing and community development financial assistance from one or more HUD programs. Applicability is determined at the project level.

For projects funded with Lead and Hazard Control and Healthy Homes Programs, this plan applies to projects that exceed \$100,000.

This plan also applies to projects that include multiple funding sources. Multiple funding source projects include projects that include public housing financial assistance, housing and community development financial assistance for single or multiple recipients, and the Lead Hazard Control and Healthy Homes Program.

Section 3 requirements **do not** apply to: 1) Material Supply Contracts - § 75.3(b), 2) Indian and Tribal Preferences - § 75.3(c), and 3) Other HUD assistance and other Federal assistance not subject to Section 3 §75.3 (d). However, for financial assistance that is not subject to Section 3, recipients are encouraged to consider ways to support the purpose of Section 3.

SECTION 3 COORDINATOR

The RHA's Section 3 Coordinator serves as the main point of contact for Section 3 compliance for the housing authority and its subrecipients, contractors and subcontractors supporting the program. Subrecipients, contractors, subcontractors and others are encouraged to reach out to RHA's Section 3 Coordinator with questions regarding Section 3 compliance:

Amber Salcido Project Coordinator 775.329.3630 ext. 284 section3@renoha.org

EMPLOYMENT, TRAINING, AND CONTRACTING GOALS

Safe Harbor Compliance

RHA will have complied with the Section 3 requirements and met safe harbor, if they certify that they followed the required prioritization of effort and met or exceeded the Section 3 benchmarks, absent evidence of the contrary.

Prior to the beginning of work, contractors and subcontractors will be required to certify that they will follow the required prioritization of effort for Section 3 workers, Targeted Section 3 workers, and Section 3 business concerns.

1. Review and sign the Section 3 Assurance form.

If the contractor and subcontractor do not meet the safe harbor requirements, they must provide evidence that they have made qualitative efforts to assist low and very low-income persons with employment and training opportunities.

Safe Harbor Benchmarks

RHA has established employment and training goals that subrecipients, contractors, and subcontractors should meet in order to comply with Section 3 requirements outlined in [24 CFR Part 75.9 - for public housing financial assistance] or [24 CFR Part 75.19 - for housing and community development financial assistance]. The safe harbor benchmark goals are as follows:

(For Public Housing Financial Assistance)

1. Twenty-five (25) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's fiscal year are Section 3 workers.

Section 3 Labor Hours/Total Labor Hours = 25%

And

2. Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's fiscal year are Targeted Section 3 workers, as defined at 24 CFR Part 75.11.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

(For Housing and Community Development Financial Assistance)

1. Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers.

Section 3 Labor Hours/Total Labor Hours = 25%

And

2. Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined at 24 CFR Part 75.21.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

HUD establishes and updates Section 3 benchmarks for Section 3 workers and/or Targeted Section 3 workers through a document published in the Federal Register, not less frequently than once every 3 years. Given that the Section 3 benchmarks are subject to change every three years or sooner, RHA will review and update the Section 3 Plan every 12 months or as needed.

It is the responsibility of contractors to implement efforts to achieve Section 3 compliance. Any contractor that does not meet the Section 3 benchmarks must demonstrate why meeting the benchmarks was not feasible. All contractors submitting bids or proposals to the housing authority are required to certify that they will comply with the requirements of Section 3.

<u>Certification of Prioritization of Effort for Employment, Training, and Contracting.</u>

Employment and Training

Under the RHA Section 3 Program, contractors and subcontractors should make best efforts to provide employment and training opportunities to Section 3 workers in the priority order listed below:

(For Public Housing Financial Assistance)

- 1. To residents of the public housing projects for which the public housing financial assistance is expended.
- 2. To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA.
- 3. To participants in YouthBuild programs; and
- 4. To low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

Provide employment and training opportunities to Section 3 workers within the metropolitan area (or nonmetropolitan county) in which the project is located in the priority order listed below:

- 1. Section 3 workers residing within the service area or the neighborhood of the project, and
- 2. Participants in YouthBuild programs.

Contractors and subcontractors will be required to certify that they will and have made their best efforts to follow the prioritization of effort requirements prior to the beginning work and after the work is completed.

Contracting

Under the RHA's Section 3 Program, contractors and subcontractors must make their best efforts to award contracts and subcontracts to business concerns that provide economic opportunities to Section 3 workers in the following order or priority:

(For public housing financial assistance)

- 1. Section 3 business concerns that provide economic opportunities for residents of public housing projects for which the assistance is provided.
- 2. Section 3 business concerns that provide economic opportunities for residents of other public housing projects or Section-8 assisted housing managed by the PHA that is providing assistance.
- 3. YouthBuild programs; and
- 4. Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

(For Housing and Community Development Financial Assistance)

- 1. Business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which assistance is located in the following order of priority (where feasible):
 - a. Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project; and
 - b. YouthBuild programs.

Contractors and subcontractors will be required to certify that they will and have made their best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

SECTION 3 ELIGIBILITY AND CERTIFICATIONS

Individuals and businesses that meet Section 3 criteria may seek Section 3 preference from the RHA or its contractors/subcontractors for training, employment, or contracting opportunities generated by a public housing financial assistance or housing and community development financial assistance. To qualify as a Section 3 worker, Targeted Section 3 worker, or a Section 3 business concern, each must self-certify that they meet the applicable criteria.

Businesses who misrepresent themselves as Section 3 business concerns and report false information to RHA may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities.

Section 3 Worker and Targeted Section 3 Worker Certification

A Section 3 worker seeking certification shall submit self-certification documentation to the recipient contractor or subcontractor, that the person is a Section 3 worker or Targeted Section 3 worker as defined in 24 CFR Part 75. For the purposes of Section 3 worker eligibility, the housing authority will use individual income rather than family/household income to determine eligibility. The income limits will be determined annually using the guidelines published at https://www.huduser.org/portal/datasets/il.html.

Persons seeking the Section 3 worker preference shall demonstrate that it meets one or more of the following criteria currently or when hired within the past five years, as documented:

- 1. A low or very low-income resident (the worker's income for the previous or annualized calendar year is below the income limit established by HUD); or
- 2. Employed by a Section 3 business concern: or
- 3. A YouthBuild participant.

Persons seeking the Targeted Section 3 worker preference shall demonstrate that it meets one or more of the following criteria:

(For public housing financial assistance)

- Employed by a Section 3 business concern or
- 2. Currently meets or when hired met at least one of the following categories as documented within the past five years:
 - a. A resident of public housing; or
 - b. A resident of other public housing projects or Section 8-assisted housing; or
 - c. A YouthBuild participant.

(For Housing and Community Development Financial Assistance)

- Employed by a Section 3 business concern or
- 2. Currently meets or when hired met at least one of the following categories as documented within the past five years:
 - a. Living within the area or the neighborhood of the project, as defined in 24 CFR Part 75.5; or
 - b. A YouthBuild participant.

Projects Involving Multiple Sources of Funding:

In cases where Section 3 covered projects include multiple sources of funds, including public housing financial assistance and housing and community development assistance, the housing authority must follow the definition of Targeted Section 3 worker and priorities as outlined in subpart B of Part 75. For housing and community development financial assistance, the housing authority may follow either subpart B or subpart C of Part 75.

In cases where Section 3 covered projects include multiple housing and development funding sources (financial assistance) from single or multiple recipients, the housing authority will follow subpart C of Part 75. Refer to chart in Appendix B.

Section 3 Business Concern Certification

RHA should encourage contractors and subcontractors to make their best efforts to award contracts and subcontracts to Section 3's business concerns.

Businesses that believe they meet the Section 3 Business requirements can self-register by using the Business Self Certification form that is provided by RHA. Businesses may seek Section 3 Business Concern preference by demonstrating that it meets one or more of the following criteria:

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

Businesses that seek Section 3 preference shall certify or demonstrate to the RHA's contractors or subcontractors that they meet the definitions provided in the above.

Section 3 Business Concern Certification Forms must be submitted at the time of bid/proposal. If the housing authority previously approved the business concern to be Section 3 certified, then the certification can be submitted along with the bid, as long as the form is submitted within the prescribed expiration date. The Section 3 Business Concern Certification Form will expire after 12 months. Establishing a 12-month certification of eligibility period allows the housing authority the ability to assess contractor performance to ensure the business is striving to meet the required goals.

ASSISTING CONTRACTORS WITH ACHIEVING SECTION 3 GOALS

In an effort to assist contractors with meeting or exceeding the Section 3 goals, the RHA will do the following:

- 1. Share Section 3 Plan with contractors and subcontractors and explain policies and procedures.
- 2. Require contractor to sign the Section 3 Assurance at pre-construction conference.
- 3. Review Section 3 benchmarks and prioritization of effort with contractors and subcontractors to ensure that the goals are understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to meet Section 3 benchmark goals by utilizing existing qualified workforce and by considering qualified eligible Section 3 workers and Targeted Section 3 workers (per the prioritization of effort outlined in Section #3) before any other person, when hiring additional employees is needed to complete proposed work to be performed with HUD public Housing financial assistance and HUD housing and community development financial assistance.
- 4. At the time of bid, require the contractor to present a list, of the number of total labor hours, Section 3 worker labor hours, and Targeted Section 3 worker labor hours expected to be generated from the initial contract and a list of projected number of available positions, to include job descriptions and wage rates.
- 5. Maintain a local Section 3 worker/Targeted Section 3 worker database and provide the contractor with a list of interested and qualified Section 3 workers and Targeted Section 3 workers and contact information. Require contractors to notify Section 3 Coordinator of their interests regarding employment of Section 3 workers prior to hiring.
- 6. Leverage the housing authority communication outlets (social media, website, etc.) to effectively communicate employment and contracting opportunities that arise.

SECTION 3 OUTREACH

Contractor Outreach Efforts

In order to assist with Section 3 outreach efforts, contractors who have been awarded an RHA contract are encouraged to notify the Section 3 Coordinator when training opportunities are available. The housing authority's Section 3 Coordinator will work with the housing authority's workforce development program as well as other community partners to provide information about Section 3 training opportunities to potential Section 3 workers and Targeted Section 3 workers.

Contractors and subcontractors should employ several active strategies to notify Section 3 workers and Targeted Section 3 workers of Section 3 job opportunities, including:

- 1. Clearly indicating Section 3 eligibility on all job postings with the following statement: "This job is a Section 3 eligible job opportunity. We encourage applications from individuals that are low income and/or live in Public Housing and/or receive a Section 8 voucher."
- 2. Including the Section 3 Worker and Targeted Section 3 Worker Self-Certification Form in all job postings.
- Working with the Section 3 Coordinator to connect the housing authority's workforce development program and other community partners for recruitment of Section 3 workers and Targeted Section 3 workers.
- 4. Establishing a current list of Section 3 eligible applicants.
- 5. Contacting local community organizations and providing them with job postings for Section 3 eligible applicants.
- 6. Coordinating a programmatic ad campaign, which results in widespread job posting across diverse ad networks including:
 - a. Advertising job opportunities via social media, including LinkedIn and Facebook.
 - b. Advertising job opportunities via flyer distributions and mass mailings and posting ads in communal areas of housing developments and all public housing management offices.
 - c. Contacting resident councils, resident management corporations, and neighborhood community organizations to request their assistance in notifying residents of available training and employment opportunities.

RHA's Outreach Efforts for Contracting

When contracting opportunities arise in connection with a HUD program, the RHA will employ the following strategies to notify Section 3 Business Concerns of Section 3 contracting opportunities, including but not limited to:

- 1. Adding Section 3 language to all IFB's procurement documents, bid offerings and contracts.
- 2. The Section 3 Coordinator will participate in pre-bid meetings to explain and answer questions related to Section 3 policy.
- 3. Advertising contracting opportunities in local community papers and notices that provide general information about the work to be contracted and where to obtain additional information.
- 4. Providing written notice of contracting opportunities to all known Section 3 Business Concerns. The written notice will be provided in sufficient time to enable business concerns the opportunity to respond to bid invitations.
- 5. Coordinating with the prime contractor to publicize contracting opportunities for small businesses.

- 6. Coordinating with the RHA Development Department and all other business assistance agencies and contractor associations to inform them of contracting opportunities and request their assistance in identifying Section 3 business concerns. Could include local community development organizations, business development agencies (Chamber of Commerce), and minority contracting associations.
- 7. Connecting Section 3 business concerns with resources to support business development to assist in obtaining contracting opportunities (e.g., bonding and insurance assistance, etc.). Contractors will also be encouraged to collaborate with RHA as subcontract opportunities arise in an effort to notify eligible Section 3 business concerns about the contracting opportunities.

QUALITATIVE EFFORTS

Where an entity fails to meet the Safe Harbor Benchmarks set by HUD, certain qualitative efforts may be accepted to demonstrate compliance with the Section 3 requirements. These efforts include:

- 1. Outreach efforts to generate Section 3 job applicants.
- 2. Direct, on-the-job training programs for Section 3 Workers (including apprenticeships)
- 3. Providing and/or connecting residents with assistance in seeking employment, including drafting resumes, preparing for an interview, and connecting residents to job-placement services.
- 4. Providing and/or connecting residents with supportive services that provide one or more of the following:
 - a. Work readiness health screenings
 - b. Interview clothing
 - c. Uniforms
 - d. Test Fees
 - e. Transportation
- 5. Assisting residents to apply for and/or attend community college or a four-year higher education institution.
- 6. Assisting residents to apply for and/or attend a vocational/technical training program Assisted residents with obtaining financial literacy training and/or financial coaching.
- 7. Providing or connecting residents with supportive services that can provide direct services or referrals.
- 8. Hold one or more job fairs.
- 9. Indirect training of Section 3 Workers, including arranging, contracting, and/or paying for off-site training.
- 10. Technical training of Section 3 Workers, including arranging, contracting, and/or paying for off-site training.
- 11. Outreach efforts to identify and secure bids from Section 3 Business Concerns.
- 12. Providing technical assistance to Section 3 Business Concerns to help them understand the contracting process and help to bid on projects.
- 13. Dividing contracts up into smaller jobs to facilitate participation from Section 3 Businesses.

SECTION 3 CONTRACTING POLICY AND PROCEDURE

RHA will incorporate Section 3 in its existing Procurement Policy and adopt a Section 3 Contracting Policy and Procedure to be included in all procurements generated for use with HUD funding. This policy and procedure contain requirements for making efforts to award contracts to Section 3 Business Concerns.

All contractors/businesses seeking Section 3 preference must, before submitting bids/proposals to the RHA be required to complete certifications, as appropriate. Such certifications shall be adequately supported with appropriate documentation as referenced in the Section 3 Business Concern Certification Form.

SECTION 3 PROVISIONS / CONTRACT LANGUAGE

RHA will include standard Section 3 language in all its contracts to ensure compliance with regulations in 24 CFR Part 75. RHA will take appropriate action upon finding that a contractor is in violation of 24 CFR Part 75 and does not knowingly contract with any contractor that has been found in violation of the Section 3 regulations. On a periodic basis the Section 3 Coordinator will audit the housing authority contractors for compliance with the minimum Section 3 requirements outlined in the Section 3 Plan.

In addition, contractors and subrecipients are required to include language in all Section 3 covered contracts or agreements for subcontractors to meet the requirements of 24 CFR Part 75.9 (for public housing financial assistance) or 24 CFR Part 75.19 (for housing and community development financial assistance).

For businesses, noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

SECTION 3 REPORTING REQUIREMENTS

For Section 3 covered contracts, contractors must submit the Section 3 Performance and Summary Report to the housing authority's Section 3 Coordinator every quarter, and the annual reporting requirement set forth in that form's instructions.

A. QUARTERLY REPORTING

 Contractors are required to submit quarterly reports to RHA's Section 3 Coordinator to section3@renoha.org.

B. ANNUAL REPORTING

- Once a project is completed, contractors must submit a final Section 3 cumulative report for the program year.
- Upon the completion of the project, RHA's Section 3 Coordinator will conduct a final review of the project's overall performance and compliance.
- RHA's Section 3 Coordinator will submit the Section 3 data to HUD.

C. REPORTING ON PROJECTS WITH MULTIPLE FUNDING SOURCES

 For Section 3 projects that include public housing financial assistance and housing and community development financial assistance, the RHA and if applicable, other project stakeholders will report on the project as a whole and will identify the multiple associated recipients. • For projects assisted with funding from multiple sources of housing and community development assistance that exceed the thresholds of \$200,000 and \$100,000 for Lead Hazard Control and Healthy Homes Programs (LHCHH), RHA will follow subpart C of Part 75 and will report to the applicable HUD program office, as prescribed by HUD. Note: LHCHH assistance is not included in calculating whether the assistance exceeds the \$200,000 threshold. HUD public housing financial assistance and HUD housing and community development financial assistance is not included in calculating whether the assistance exceeds the LHCHH \$100,000 threshold. Refer to chart in Appendix B.

INTERNAL SECTION 3 COMPLAINT PROCEDURE

In an effort to resolve complaints generated due to non-compliance through an internal process, the housing authority encourages submittal of such complaints to its Section 3 Coordinator as follows:

- 1. Complaints of non-compliance should be filed in writing and must contain the name of the complainant and a brief description of the alleged violation of 24 CFR Part 75.
- 2. Complaints must be filed within 30 calendar days after the complainant becomes aware of the alleged violation.
- 3. An investigation will be conducted if the complaint is found to be valid. RHA will conduct an informal, but thorough investigation affording all interested parties, if any, an opportunity to submit testimony and/or evidence pertinent to the complaint.
- 4. RHA will provide written documentation detailing the findings of the investigation. RHA will review the findings for accuracy and completeness before it is released to complainants. The findings will be made available no later than 90 days after the filing of the complaint. If complainants wish to have their concerns considered outside of the housing authority a complaint may be filed with:

The HUD program office is responsible for the public housing financial assistance or the Section 3 project, or to the local HUD field office. These offices can be found through the HUD website, www.hud.gov/.

Complainants may be eligible to bring complaints under other federal laws. The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information (medical history or predisposition to disease). For more information about complainants' rights, please contact EEOC at: www.EEOC.gov.

The Department of Labor Office of Federal Contract Compliance Programs (OFCCP) enforces, for the benefit of job seekers and wage earners, the contractual promise of affirmative action and equal employment opportunity required of those who do business with the Federal government. More information about the services they provide can be obtained at: http://www.dol.gov/ofccp/.

APPENDICES

Appendix A: DEFFINITIONS

The terms HUD, Public Housing, and Public Housing Agency (PHA) are defined in 24 CFR part 5.

The following definitions also apply to 24 CFR Part 75 HUD's Economic Opportunities for Low-and Very Low-Income Persons:

1937 Act means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq. activities related to Public Housing

Contractor means 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.

Labor hours means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

Low-income person means a person as defined in Section 3(b)(2) of the 1937 Act, at or below 80% AMI. Note that Section 3 worker eligibility uses individual income rather than family/household income.

Material supply contracts means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

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, environmental assessment, architectural services, and civil engineering services.

Public housing financial assistance means assistance as defined in 24 CFR Part 75.3(a)(1).

Public housing project is defined in 24 CFR 905.108.

Recipient means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

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

Section 3 business concern means:

- 1. A business concern meeting at least one of the following criteria, documented within the last six-month period:
 - a. It is at least 51 percent owned and controlled by low- or very low-income persons.
 - b. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers: or
 - c. 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.
- 2. 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.

3. Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

Section 3 Coordinator is a person tasked with overseeing all Section 3 responsibilities for the PHA/CD office.

Section 3 project means a project defined in 24 CFR Part 75.3(a)(2).

Section 3 worker means:

- 1. Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:
 - a. The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
 - b. The worker is employed by a Section 3 business concern.
 - c. The worker is a YouthBuild participant.
- 2. The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.
- 3. Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

Section 8-assisted housing refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

Service area or the neighborhood of the project means 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.

Small PHA means a public housing authority that manages or operates fewer than 250 public housing units.

Subcontractor means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

Subrecipient has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

Targeted Section 3 worker has the meanings provided in 24 CFR Part 75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

Very low-income person means the definition for this term set forth in section 3(b)(2) of the 1937 Act (at or below 50% AMI).

YouthBuild programs refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

Appendix B: Multiple Funding Sources - CHART

TYPE OF FINANCIAL ASSISTANCE	DEFINITIONS *TARGETED SECTION 3 WORKER	THRESHOLDS	PRIORITIZATION	REPORTING
Public Housing and	PHA – must follow	None	PHA – must	PHA – must follow subpart B of
Housing and	subpart B of Part	*Any amount of PH	follow subpart B	Part 75
Community	75	assistance triggers	of Part 75	HCD – may follow subpart B or C of
Development		Section 3	HCD – may	Part 75
	HCD – may follow subpart B or C of Part 75		follow subpart B or C of Part 75	Both - Must report on project as a whole and identify the multiple associated recipients
Multiple Sources of Housing and Community Development (Single or multiple recipients)	Must follow subpart C of Part 75	Exceeds \$200,000 for Section 3 projects. *LHCHHP exceeds \$100,000	Must follow subpart C of Part 75	Must follow subpart C of Part 75 Must report on project as a whole and identify the multiple associated recipients. Must report to the applicable HUD program office, as prescribed by HUD