

Tuesday, February 19th , 2024
1:30 PM

2023 CGA

Section 3 Training



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Reminder to Record Meeting!



What is Section 3?

- » Section 3 is a provision of the Housing & Urban Development Act of 1968 that is applicable to CDBG-funded projects.

- » 24 CFR Part 75

- » Section 3 requires the employment of low-income persons, preferably low-income persons residing in the local area, in HUD-funded projects. This is intended so that:
 - Low-income persons may gain professional skills that lead to long-term employment;
 - Extend employment opportunities to nearby low-income residents;
 - Maximize the benefits of the federal investment to the community

What is Section 3?

- » Section 3 now tracks labor hours instead of new hires.
- » Came into effect on July 1, 2021 for applicable IEDA-awarded projects.
 - Projects awarded prior to July 1, 2021 that have not bid or entered into construction contracts yet should follow the new Section 3 rule.

When Does Section 3 Apply?

- » Applies to housing rehabilitation, housing construction, and other public construction projects. Not materials-only contracts.
- » Applies when receiving at least \$200,000 in CDBG funds
- » This applies to relevant awards in the following IEDA CDBG programs:
 - Disaster Recovery
 - For new housing, infrastructure, trees, generators, when a specific project receives at least \$200,000, not the overall community CDBG award.
 - Community Facilities & Services
 - Downtown Revitalization
 - When a specific owner receives at least \$200,000, not the overall community CDBG award.
 - Upper Story Housing
 - When a specific housing project receives at least \$200,000, not the overall community CDBG award.
 - Water and Sewer
 - Opportunities & Threats
 - COVID
 - When construction is involved and receives at least \$200,000

Section 3 Reporting Benchmarks

- » Section 3 tracks labor hours instead of new hires.
- » At least 25% of total project hours should be worked by **Section 3 Workers**.
- » At least 5% of total project hours should be worked by **Targeted Section 3 Workers**.
- » If these 25% and 5% safe harbor benchmarks are met, then the project has complied with Section 3. If not, qualitative efforts can ensure compliance.
 - Rephrased: 20% minimum by Section 3 workers (of any type) PLUS 5% minimum by Targeted Section 3 workers. 25% minimum Section 3 workers overall.

Section 3 Reporting Benchmarks

- » The tracking of labor hours applies even if the project does not have to comply with Davis Bacon labor standards.
- » **All hours** on the project should be tracked, **not just** Section 3 workers
- » Hours should be tracked by the contractors and grant administrator as the project is underway and reported to IEDA at the conclusion of the project. IEDA monitoring will include Section 3. Hours must be tracked even if failing to meet the safe harbor benchmarks.
- » IEDA has provided templates in Appendix 8 of the CDBG Management Guide website to guide compliance with Section 3.

Section 3 Reporting Qualitative Efforts

» If the safe harbor benchmarks cannot be met, the following are examples of activities that could be done to ensure compliance:

Outreach efforts to generate Targeted Section 3 workers	Training/apprenticeship opportunities
Technical assistance to help Section 3 workers (resume assistance, etc.)	Use service providers to connect Section 3 employees with employers
Hold job fairs for Section 3 workers and employers	Refer Section 3 workers to services helping with work readiness and retention
Provide assistance to help Section 3 workers apply for vocational training, education, etc.	Provide financial literacy training to Section 3 workers
Engage in business outreach to identify and secure bids from Section 3 Business Concerns	Provide technical assistance to Section 3 Business Concerns to encourage applying
Advertise for jobs online and in circulations that reach Section 3 workers	Promote the use of the Section 3 Business Registry and HUD Opportunity Portal

Section 3 Reporting Qualitative Efforts

- » Qualitative efforts should be done from the beginning, just in case labor hour benchmarks aren't met.

- » If using qualitative efforts to demonstrate compliance, it is essential to maintain documentation of these efforts. This includes:
 - Copies of direct mail solicitations
 - Email and Internet outreach efforts
 - Formal job advertisements
 - Flyers or online ads about meetings, job training programs, etc.
 - Sign-in lists from job fairs
 - Agendas and/or meeting notes from meetings with contractors

- » At least 1 qualitative effort must be done in order to comply. Speak with IEDA staff about the effort before closeout to ensure compliance.

Section 3 Worker Defined

» 25% of project hours should be completed by Section 3 workers. These individuals must meet **1 or more** of the following within the past 5 years:

1. Low income for the prior annualized calendar year
 - At or below 80% individual Area Median Income (AMI) to be considered Low Income
2. Employed by a Section 3 Business
3. Current YouthBuild participant

County Example:	80% AMI 1-Person	County Example:	80% AMI 1-Person	County Example:	80% AMI 1-Person
Wapello	\$44,200	Clay	\$44,200	Des Moines	\$44,200
Appanoose	\$44,200	Cass	\$44,200	Winneshiek	\$50,650
Carroll	\$49,800	Webster	\$44,200	Cerro Gordo	\$45,000
Union	\$44,800	Marshall	\$44,200	Linn	\$50,050

Targeted Section 3 Worker Defined

- » 5% of a project's labor hours must be done by Targeted Section 3 workers. Meet regular Section 3 worker criteria but have a few more requirements. For CDBG projects, this includes the following:
 - Worker employed by a Section 3 Business (see next slide for definition) OR
 - Worker who currently, or when hired within the past 5 years, was verified to:
 - Live within the service area of the project OR
 - Current YouthBuild participant

- » The project's service area is defined as:
 - Within 1 mile of the project site
 - If fewer than 5,000 people live within 1 mile, then within a radius of the project site that encompasses 5,000 people

- » HUD plans to release an online tool to calculate this, but in the meantime, use existing data to demonstrate as best as possible.

Section 3 Business Concern Defined

- » A Section 3 Business Concern fits **1 or more** of the following criteria:
 1. Business that is at least 51% owned by low income persons.
 2. 75% of the business's labor hours over the prior 3 months were performed by Section 3 workers or YouthBuild participants
 3. Business is at least 51% owned by current residents of public housing or Section 8-assisted housing

- » Businesses can complete an IEDA **self-certification form** to be registered on a project as a Section 3 Business Concern. Should also register at the link below:

- » **HUD Opportunity Portal:**
 - <https://hudapps.hud.gov/OpportunityPortal/>

Recipient Responsibilities

- » Recipient/CDBG Grant Administrators are required to:
 - Document the IEDA **worker self-certification form** for all workers on the project
 - Track **all labor hours** on the project, including by non Section 3 workers through the IEDA **Section 3 Compliance excel** even if the project fails to meet benchmarks
 - Retain evidence of all labor hours on the project
 - Document evidence for qualitative efforts taken to comply with Section 3
 - Submit annual Section 3 reports to IowaGrants

- » Penalties for noncompliance include:
 - Sanctions from HUD
 - Termination of contract for CDBG funds
 - Debarment or suspension from future HUD assisted (e.g. CDBG) contracts

Recipient Responsibilities

- » Each recipient/grant administrator has the responsibility to comply with Section 3 and ensure its contractors/subcontractors are in compliance. This includes but is not limited to:
 - Documenting efforts taken to comply with this requirements and any impediments
 - Implementing procedures designed to notify Section 3 workers about training and employment opportunities
 - Facilitating training and employment of Section 3 employees and award of contracts to Section 3 businesses
 - Notifying potential contractors of Section 3 requirements
 - Incorporating Section 3 compliance language in all solicitations and contracts covered by Section 3
 - Actively cooperating with compliance and refraining from entering into any contract with any contractor who has been found to be in violation of Section 3

Recipient Responsibilities

- » Recipients/grant administrators are required, to the “greatest extent feasible”, to facilitate contracts with Section 3 businesses. This means going above and beyond normal procedures, such as searching the **Section 3 HUD Opportunity Portal** and/or specifically reaching out to eligible businesses when opportunities arise.
- » Iowa procurement procedures require recipients select the lowest responsible bidder under a competitive sealed process, but recipients may give preference to Section 3 businesses under the evaluation criteria when reviewing professional service contracts

Recipient Responsibilities

- » All businesses must demonstrate that they are responsible and able to perform under the terms & conditions of proposed contracts.
- » Contractors are not required to hire workers specifically to meet Section 3 requirements. If existing employees meet the criteria (or met it since December 1, 2020), they can be counted.
- » Recipients, contractors, and subcontractors are required to give preference to Section 3 workers, to the “greatest extent feasible”, when employment & training opportunities result from a CDBG project.

Recipient Responsibilities

- » Contractors and subcontractors should work with the Grant Administrator to advertise the opportunity to Section 3 workers
- » Notices of employment/training should be sent to the President of the Iowa Chapter of the National Association of Housing and Redevelopment Officials (NAHRO). See the following link for contact information: <http://www.ianahro.org/contactus.cfm>
- » Employment priority should be given to Section 3 workers in the service area, followed by YouthBuild participants, and then followed by other Section 3 workers

Section 3 Templates

Worker Certification Form

SECTION 3 WORKER SELF-CERTIFICATION FORM

All employees working on a HUD funded project must certify their status related to Section 3 requirements to allow the employer, subrecipient, and State of Iowa to monitor, track, and report hours worked by Section 3 and Targeted Section 3 employees on the HUD funded project. Reporting hours worked by Section 3 and Targeted Section 3 employees is mandatory for all contractors & subcontractors.

EMPLOYER SECTION. This section to be completed by the employer or grant administrator:

Company Name: _____

Is the company a Section 3 Business: YES NO

Project Name: _____ Project Location: _____

Employee Name: _____

Employee Home Address (if close to the project location): _____

City: _____ County: _____ State: _____

Based on the employee's home address, the annual 80% County Income Limit for a household of 1 for the year _____ is \$ _____.

To determine the annual income limit please visit: <https://www.huduser.gov/portal/datasets/il.html>

CDBG Grant Administrators will:

- 1) Enter the 80% 1-person household figure for the worker's home county. Or provide a list of county incomes to the employer. If entered electronically, "Employee Name", "City", "County", "State", and the yellow highlighted income will carry over to the next section. It may be worth filling out part of this electronically or providing several copies if you can get a list of counties the workers live in ahead of time.

Worker Certification Form

EMPLOYEE SECTION. This section to be completed by the employee:

I (employee name) _____ am a resident of the City of _____

in the County of _____ in the State of _____ and do hereby affirm the following information to be correct:

YES NO My annual income, for me alone, on all jobs worked since December 1, 2020 was at or below the following: _____

If you answered **YES** to the above question, you are considered a Section 3 employee and need to answer the following questions:

YES NO I am employed by a Section 3 Business (see above employer certification).

YES NO I am or was (within the last five (5) years) a Youth Build participant.

YES NO I live within one (1) mile of the project location (see project location information above).

I affirm that the information contained in this report, including the above statements, are true, complete, and correct to the best of my knowledge and belief. Any false statements made knowingly and willfully may subject the signer to penalties under Section 1010 of Title 18 of the United States Code.

CDBG Grant Administrators will:

- 1) Verify that the correct income figures are written for the worker's home county, not the county of the project. If any one of the 2nd-4th questions are marked yes, then the worker is considered "Targeted Section 3" worker.

SECTION 3 – CONTRACTOR INTENT TO COMPLY

For Project (insert project name): _____

In (Insert City Name): _____ IEDA Project Number: _____

Contractor Name: _____ hereinafter referred to as "CONTRACTOR."

Address: _____ City: _____ State: _____ Zip: _____

This form is the CONTRACTOR's official statement acknowledging their understanding that Section 3 requirements are mandatory for the proposed project which is funded in part with funds from the Department of Housing and Urban Development (HUD). The form also signifies the CONTRACTOR's intent to comply with the Section 3 requirements as outlined in the plans and specifications, including but not limited to, the intent to utilize Section 3 (low to moderate income) workers and subcontractors where possible and complying with all mandatory reporting related to Section 3 HUD guidelines.

In recognition of the intent to comply the CONTRACTOR indicates their compliance with the following certifications:

- YES If awarded a contract for this HUD-funded project, CONTRACTOR is able to determine employee's hourly wages and addresses.
- YES NO Is this business a registered Section 3 business with the U.S. Department of Housing and Urban Development? You can search for Section 3 Businesses here: <https://hudapps.hud.gov/OpportunityPortal/>
- YES Willing to provide information on the hours worked by all employees, including Section 3 and Targeted Section 3 employees for this job?
- YES If the need to hire new employees during this job occurs, agree to hire Section 3 qualified employees for those job opportunities presuming all other qualifications are equal with qualified non Section 3 applicants?
- YES If the need to subcontract arises, willing to CONSIDER hiring and subcontracting with a Section 3 business registered with HUD. You can search for Section 3 Businesses here: <https://hudapps.hud.gov/OpportunityPortal/>

The CONTRACTOR estimates that the total hours worked on this project by employees of the CONTRACTOR will be _____.

The CONTRACTOR recognizes that this contracting opportunity is subject to HUD Section requirements (24 CFR Part 75). The CONTRACTOR has read and understands the Section 3 requirements as generally described above and presented in the Section 3 contract language included in the procurement documents for this project (plans and specifications, request for qualification, request for proposals, etc.). If awarded a contract, the CONTRACTOR commits to following Section 3 requirements, as they apply to this project. If awarded a contract for this project, the CONTRACTOR agrees to provide reports to the project's Grant Administrator on a timely basis) regarding Section 3 efforts and accomplishments.

Intent to Comply Form

All contractors and subcontractors must complete this form to demonstrate their Intent to Comply with Section 3.

Basic information and estimated number of labor hours on the project.

If the business is a Section 3 Business, then they would also need to complete the Business Self-Certification Form.

Section 3 Business Certification

- To be completed by the business claiming Section 3 business status.

All contracts and subcontracts awarded on Section 3 covered projects must be reported in aggregate on the Section 3 Summary Report. For all businesses reported as being Section 3 Businesses, documentation of their status must be retained in the project files. IEDA considers this form adequate documentation of Section 3 status.

Projects that receive \$200,000 or more in HUD funds are "Section 3 projects". Contractors are required to report on all contracts they make both with Section 3 Businesses and with businesses that are not Section 3 Businesses.

This form is a tool to determine and document the Section 3 Business status. Documentation of the status of Section 3 Businesses should be retained in the project files.

Business being certified:

Company: _____

Address: _____

Project information:

Project Name: _____

Project Address: _____

Section 3 determination

1. Is your business owned (51% or more) by individuals whose household incomes are NO GREATER THAN 80% of Area Median Income (AMI)* OR by individuals that are current public housing residents or current residents of Section 8-assisted housing? |

*Please reference <https://www.iowaeda.com/cdbg/management-guide/> (under recipient income requirements and census information) to determine if employee is less than 80% of the current area median income.

Yes () No

2. Within the last three months, have 75% of all labor hours performed been performed by individuals whose household incomes are no greater than 80% of Area Median Income (AMI)?

Yes () No

If any of the questions above are marked "yes", the business qualifies as a Section 3 business.

I certify that the above statements are true, complete, and correct to the best of my knowledge and belief.

Signature: _____

Print Name: _____ Date: _____

Business Self-Certification Form

Businesses will self-certify if they are a Section 3 Business Concern.

They will complete the form to the left completely and return it to the CDBG Grant Administrator.

IEDA considers this form adequate documentation for self-certification.

Section 3 Labor Hours Worksheet

Labor Hours Worksheet has been updated. It will be updated to the website soon but for now you can find it under the compliance Section 3 form

Section 3

Labor Hours

A Section 3 report is required each HUD program year the project is in Underway status.

What year does this Section 3 report cover:

Is this a Section 3 Project: Yes

Are there labor hours to report for this period: Yes

Section 3 Labor Hours: 724.00

Targeted Section 3 labor hours: 18.00

Total Labor Hours: 2128.00

Download Section 3 Labor Hours worksheet template [HERE](#)

Labor Hours Worksheet: [Section 3 compliance worksheet Atkins .xlsx](#)



Section 3 Labor Hours Worksheet

SECTION 3 PROJECT REPORT - SUMMARY PAGE

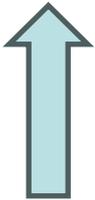
PROJECT NAME:	0
CITY/COUNTY NAME:	0
PROJECT ADDRESS:	0
PROJECT START DATE:	1/0/1900
IEDA PROJECT NUMBER:	0

YEAR	TOTAL HOURS WORKED	SECTION 3 HOURS WORKED	TARGETED SECTION 3 HOURS	% OF SECTION 3 HOURS WORKED	% OF TARGETED SECTION 3 HOURS WORKED
2024	0	0	0	#DIV/0!	#DIV/0!
2025	0	0	0	#DIV/0!	#DIV/0!
2026	0	0	0	#DIV/0!	#DIV/0!
2027	0	0	0	#DIV/0!	#DIV/0!
PROJECT TOTALS:	0	0	0	#DIV/0!	#DIV/0!

80% LMI 1-Person Household Data

LINE NO.	STATE OF RESIDENCE	COUNTY OF RESIDENCE	YEAR	1-PERSON HOUSEHOLD 80% INCOME LEVEL
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

Section 3 Labor Hours Worked



Section 3 Labor Hours Worksheet

PROJECT NAME:	0				
CITY/COUNTY NAME:	0				
PROJECT ADDRESS:	0				
PROJECT START DATE:	1/0/1900				
IEDA PROJECT NUMBER:	0				

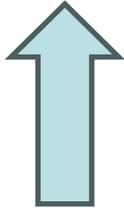
Section 3 Labor Hours Worksheet

YEAR	TOTAL HOURS WORKED	SECTION 3 HOURS WORKED	SECTION 3 HOURS WORKED	% OF SECTION 3 HOURS WORKED	% OF TARGETED SECTION 3 HOURS WORKED
2024	0	0	0	#DIV/0!	#DIV/0!
2025	0	0	0	#DIV/0!	#DIV/0!
2026	0	0	0	#DIV/0!	#DIV/0!
2027	0	0	0	#DIV/0!	#DIV/0!
PROJECT TOTALS:	0	0	0	#DIV/0!	#DIV/0!

Section 3 Labor Hours Worksheet

80% LMI 1-Person Household Data				
LINE NO.	STATE OF RESIDENCE	COUNTY OF RESIDENCE	YEAR	1-PERSON HOUSEHOLD 80%
1				
2				
3				
4				

Section 3 Labor Hours Worked



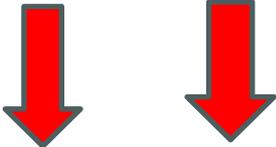
Section 3 Labor Hours Worksheet

SECTION 3 WORKER CERTIFICATION FORM SUMMARY											
PROJECT NAME:											
CITY/COUNTY NAME:											
IEDA PROJECT NUMBER:											
				2024		2025		2026		2027	
LINE NO.	EMPLOYEE NAME	CONTRACTOR NAME	WORKED DURING YEAR	WORKER CERT UPLOADED							
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											

Section 3 Labor Hours Worksheet

PROJECT NAME:			
CITY/COUNTY NAME:			
PROJECT ADDRESS:			
PROJECT START DATE:			
IEDA PROJECT NUMBER:			
CONSTRUCTION CALENDAR YEAR:	2024		
ANNUAL TOTALS			
TOTAL HOURS WORKED:	0		
SECTION 3 HOURS WORKED:	0		#DIV/0!
TARGETED SECTION 3 HOURS WORKED:	0		#DIV/0!

Section 3 Labor Hour Worksheet



EMPLOYEE NAME	CONTRACTOR NAME	PAYROLL NO.	WORK WEEK		TOTAL HOURS WORKED	SECTION 3 WORKER	TARGETED SECTION 3 WORKER	SECTION 3 HOURS WORKED	TARGETED SECTION 3 HOURS WORKED
			START DATE	END DATE					
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0
								0	0

In Summary

- » Section 3 now requires the tracking of labor hours for projects awarded at least \$200,000 in CDBG funds involving rehabilitation, housing construction, and other public construction.

- » At least 25% of labor hours should be worked by Section 3 workers:
 - At least 20% by Section 3 workers overall
 - At least 5% by Targeted Section 3 workers
 - Qualitative efforts to comply if this cannot be met

- » This applies even when a project is not subject to Davis Bacon.

FAQ:

- » Section 3 is based on employee **individual (not household)** income for the year, not their pay at a particular job or pay under a worker classifications.
- » Worker will self-certify their income, not including fringe benefits.
- » Based on recent HUD guidance, Section 3 looks back to December 1, 2020 or 5 years, whichever is later. The five-year lookback won't be fully implemented until December 1, 2025.
- » CDBG Grant Administrators should be conducting and keeping record of qualitative outreach efforts in addition to tracking labor hours to ensure compliance in Iowa.

FAQ:

- » Section 3 materials are found in Appendix 8 of the CDBG Management Guide. If you are using templates referencing *New Hires*, those are not the correct forms for the new rule
- » Section 3 applies to eligible projects in regular CDBG, CDBG-DR, and CDBG-CV.
- » Section 3 applies to a project site, not the community's overall award. Work with your project manager or reach out to me to determine what is a project site if there's confusion over it.

Section 3: More Information

- » More information can be found in Appendix Eight of the CDBG Management Guide and templates can be found under “Appendix Eight Files”: <https://www.iowaeda.com/cdbg/management-guide/>.
- » See our June 2021 and November 2021 presentations for a visual/audio description of the new Section 3 rule and descriptions under “2021 Section 3 Rule Update Presentation”:
<https://www.iowaeda.com/cdbg/training-resources/>

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Tuesday, February 20th, 2024

Section 3 Qualitative Efforts Dos and Don'ts



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Reminder to Record Meeting!



IEDA Section 3 Qualitative Efforts Checklist

Please review the following checklist of qualitative efforts that can be undertaken to comply with Section 3 if the labor hour benchmarks for Section 3 Workers (25% of a total project's hours) AND Targeted Section 3 Workers (5% of a total project's hours) are not anticipated to be met by the time of project closeout.

Check any applicable actions that were undertaken and **ATTACH** verifying documentation that these efforts were undertaken. See the following CPD Notice for more information:

<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-09cpdn.pdf>.

- Outreach efforts to generate Section 3 job applicants
- Direct, on-the-job training programs for Section 3 Workers (including apprenticeships)
- Provided and/or connected residents with assistance in seeking employment, including drafting resumes, preparing for an interview, and connecting residents to job-placement services
- Provided and/or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, and/or transportation
- Assisted residents to apply for and/or attend community college or a four-year higher education institution
- Assisted residents to apply for and/or attend a vocational/technical training program
- Assisted residents with obtaining financial literacy training and/or financial coaching
- Assisted residents with finding childcare
- Provided or connected residents with supportive services that can provide direct services or referrals
- Held a job fair
- Indirect training of Section 3 Workers, including arranging, contracting, and/or paying for off-site training
- Technical training of Section 3 Workers, including arranging, contracting, and/or paying for off-site training

Qualitative Efforts

- » We have included a qualitative efforts checklist.
- » Qualitative efforts should begin at the start of the project and be conducted alongside the tracking of labor hours.
- » All recipients should complete this, regardless if able to meet the 25% and 5% thresholds. Attach verifying docs & submit.

Qualitative Efforts

- » Qualitative efforts to comply will be an important tool to ensure Section 3 compliance if labor hour benchmarks are not met.
- » These are community-based efforts, not something that can be done at the State level.
- » Iowa COGs may already be conducting many of these activities, such as hosting regional job fairs, providing transportation for low-income workers, etc. We welcome feedback on what qualitative efforts you're already doing, and what help you may need on completing qualitative efforts.

Qualitative Efforts Dos and Don'ts

Jacob Levang, Section 3 Coordinator IEDA | IFA

Qualitative Efforts

- » If a project fails to meet the 25% Section 3 and 5% Targeted Section 3 worker labor hour benchmarks, qualitative efforts may be used to demonstrate compliance.
- » These should be done **AT THE START** of the project to ensure that the project is compliant.
- » Permission should be requested from IEDA for the qualitative effort. If it was not done properly, it will have to be redone. Email Jacob Levang at Jacob.Levang@IowaEDA.com to discuss.

- » Be creative with your qualitative efforts.
- » Section 3 was written in an office in DC and is enforced by an office in Des Moines.
- » You are more connected with the community and know opportunities to strengthen the LMI workforce
- » However, it has to fit within guidelines of the regulation.

Qualitative Efforts



Qualitative Efforts

Appendix Eight Files

- Section 3 Compliance form [Excel:121k]
- Intent to Comply with Section 3 [PDF:99k]
- Sample Section 3 employment notice [PDF:160k]
- Section 3 business certification [PDF:219k]
- Section 3 Worker certification [PDF:200k]
- Section 3 Worker Certification Spanish [PDF:166k]
- Section 3 Worker Certification Portuguese [PDF:28.5k]
- Section 3 Qualitative Efforts checklist [PDF:99k]

- » CDBG/DR/CV: The Qualitative Efforts Checklist is listed under Appendix 8 files on the CDBG Management Guide website.
- » <https://www.iowaeda.com/cdbg/management-guide/>

Qualitative Efforts

» IFA: The Qualitative Efforts Checklist is listed under Appendix 8 files on the HOME Program Resources website.

» <https://www.iowafinance.com/resource-archive/?program=HOME+Program&page-id=437>

Overview

Documents

[Request for Contractor Eligibility form →](#)

[Section 3 Business Certification Form →](#)

[Intent To Comply with Section 3 Requirements →](#)

[Section 3 Labor Hours Worksheet →](#)

[Section 3 Qualitative Efforts Checklist →](#)

[Section 3 Sample Employment Notice →](#)

[Section 3 Worker Certification Form →](#)

[Section 3 Worker Certification Form- Espanol →](#)

“Outreach Efforts to Generate Section 3 Job Applicants”

Examples of a Do

- » You know of a contractor who posted a job in town or in a nearby, commutable-distance community in construction, demolition, or rehabilitation.
- » Region 12 sent information on the job posting to the local community action agency and the food pantry, and uploaded documentation of that communication to IowaGrants.
- » This outreach connected LMI persons with the job posting. Good option for IFA developers.

Examples of a Don't

- » Take out an advertisement in the newspaper indicating that the City may have job postings in the future for Section 3 workers and to check in regularly.
- » There's no actual job posting, it contains jargon virtually no LMI worker will understand (“Section 3”), and it is published in a medium (the newspaper) that is cost prohibitive to LMI workers.

“Outreach Efforts to Generate Section 3 Job Applicants”

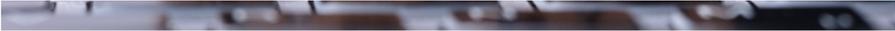
Examples of a Do

- » Post job opportunity with nonprofits and project partners who manage low to moderate income housing. This can be emailed to residents, posted outside community rooms, etc.
- » The posting was specific and included the following at minimum:
 - Pay
 - Job Description
 - Direct hiring contact listed with clear instructions on how to apply

Examples of a Don't

- » Do not just post on a flyer at the job site, just on developer/contractor social media, or just on developer/contractor employment page.
- » Outreach needs to be done to ensure that LMI workers are able to see the job posting.
- » Don't use “Section 3” on outreach but rather use “low to moderate income”.

Generating a Section 3 Job Applicant Example



EMPLOYMENT OPPORTUNITIES AVAILABLE

The City of _____ is constructing a public improvement project to _____ and has hired _____ to complete the project. _____ is seeking applicants for work on this project as well as other projects.

Available jobs include:

General Laborers Davis-Bacon Wages Starting at \$

Power Equipment Operators Davis-Bacon Wages Starting at \$

Along with other specific skills and trades. Some jobs may be available through sub-contractors working on the project.

Individuals with interest in these jobs are encouraged to contact _____ in one of the following ways:

Phone

Mail

INDIVIDUALS WHO ARE CONSIDERED LOW-TO-MODERATE INCOME INDIVIDUALS RESIDING IN _____ COUNTY AND MAKING LESS THAN \$ _____ ANNUALLY ARE STRONGLY ENCOURAGED TO APPLY.

This project is funded in part by federal grant funds through the Department of Housing and Urban Development (HUD). The City of _____ is posting notice on behalf of _____ and does not have any role, approval, or authority in the hiring of anyone for this project. The decision to hire is solely that of _____. The employment under this advertisement shall follow the Equality Opportunity Employment guidelines.

“Direct, on-the-job training programs for Section 3 Workers (including apprenticeships”

Examples of a Do

- » The contractor of a CDBG-DR new housing project in Atkins is hosting a training demonstrating how green building practices are done. He has invited the trades program at Kirkwood Community College to attend as well.
- » The COG will conduct outreach to local organizations and through the City of Atkins to ensure that LMI persons are aware of the free training.
- » Good option for IFA developers.

Examples of a Don't

- » Tell the contractor to host a training to people who may show up, but do no outreach efforts and have no documentation of that outreach or the event itself.

“Provided and/or connected residents with assistance in seeking employment, including drafting resumes, preparing for an interview, and connecting residents to job-placement services”

Examples of a Do

- » The IowaWorks office in Burlington offers services to persons who need help to find a job and/or create a resume, training services, and job readiness workshops.
- » The City of Mediapolis worked with SEIRPC to advertise the availability of these IowaWorks services in a nearby community to low to moderate income residents through social media postings and inclusion in the community newsletter.
- » If IFA developer manages lower income housing, they could host this for their residents.

Examples of a Don't

- » Providing templates for resumes or potential interview questions on a website rather than connecting them with an actual resource/organization

“Provided and/or connected residents with assistance in seeking employment, including drafting resumes, preparing for an interview, and connecting residents to job-placement services” Example

Low- and Moderate-Income Workers

The City of Arcadia encourages jobseekers to utilize the free job and career services that are available through IowaWorks. As part of the American Job Centers network, the IowaWORKS office in Denison serves job seekers and businesses with a number of workforce needs.

IowaWORKS offers programs that offer comprehensive support and resources to individuals looking for work, including career counseling, training programs, resume assistance, and job search guidance. By utilizing IowaWORKS services, workers can gain the skills and knowledge needed to excel in the job market and find the perfect fit for career goals.



Services Offered Include:

- One-on-one career assistance
- Virtual workshops and resume building
- Connection to training and workforce programs

To take part in the online training opportunities listed above, please visit www.iowaworks.gov and create an account. Once you have logged in, navigate to “Current Month’s Events” and select the preferred event. To take a next step via phone, contact a Title I Career Planner at 712-792-2685 ext. 43540.

The IowaWORKS Denison office serves the City of Arcadia. Contact the office if you have any questions about services that are offered.

Phone Number: 712-792-2685

Email: DenisonIowaWORKS@iwd.iowa.gov

Physical Address: 504 Hwy 39 North,
Denison, IA 51442

“Provided and/or connected residents with assistance in seeking employment, including drafting resumes, preparing for an interview, and connecting residents to job-placement services” Example

FEBRUARY VIRTUAL WORKSHOPS

IowaWORKS is excited to offer these employment workshops! Classes will be held virtually on Zoom with the opportunity to attend at our IowaWORKS American Job Center or from the comfort of your own home.

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
			1 9am - 11am - Create a Great Resume 1pm - 2:30pm - Bring Your A-Game - Part 1	2 9am - 11:30am - Maintain a Positive Attitude 1pm - 2pm - Completing Your Weekly Certification
5 9am - 11am - Essential Tools for Job Seekers 2pm - 3pm - Smart Planning for your Money - Emergency Funds	6 9am - 11am - EMERGE 1pm - 3pm - Military Members Power Hour - Interview	7 9am - 11am - Advanced Resume 1pm - 2:30pm - Virtual Job Club - Negotiate Workshop	8 9am - 10am - Mock Interview Workshop 1pm - 3:30pm - Bring Your A-Game - Part 2	9 9am - 11am - Finding Education Careers in IowaWORKS.gov 1pm - 2pm - Completing Your Weekly Certification
12 9am - 11am - Essential Tools for Job Seekers 2pm - 4pm - Navigating Ageism in Your Job Search	13 9am - 12pm - Interview 101 1pm - 3:30pm - Spanish Interview & Negotiate	14 9am - 11:30am - Conduct a Job Search 1pm - 2:30pm - Virtual Job Club - LinkedIn	15 9am - 11am - Create a Great Resume 1:00pm - 2:30pm - State of Iowa Job Applications	16 9am - 11:30am - Maintain a Positive Attitude 1pm - 2pm - Completing Your Weekly Certification
19	20 9am - 10am - Registered Apprenticeship	21 9am - 11am - Advanced Resume 1pm - 2:30pm - Virtual Job Club - Job Fairs	22 9am - 10am - Mock Interview Workshop 1pm - 2:30pm - Spanish Mock Interview Workshop	23 9am - 11am - Finding Education Careers in IowaWORKS.gov 1pm - 2pm - Completing Your Weekly Certification
26 9am - 11am - Essential Tools for Job Seekers 1pm - 3:30pm - Develop A Career Plan & Research Industry Trends	27 9am - 12pm - Interview 101 1pm - 3pm - Spanish Essential Tools for Job Seekers	28 9am - 11:30am - Conduct a Job Search 1pm - 2:30pm - Virtual Job Club - Who Would You Hire?	29 9am - 11am - Create a Great Resume	

Individuals with disabilities may request accommodations by emailing access@iwd.iowa.gov. Request must be received two weeks prior to event dates.

iowaworks.gov

“Provided and/or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, and/or transportation”

Examples of a Do

- » Most councils of government are co-housed with a regional bus network for persons to get to medical appointments, transportation, etc. Some may even offer specific routes to major employers.
- » A City may partner with the COG to offer a program for LMI workers to get to these services or employers. Information on the program and outreach should be posted places where LMI workers can view it (website, community facilities, etc.).

Examples of a Don't

- » Write a statement that the regional bus system is available if people request it, but do not conduct any outreach to LMI population about its availability to defined services or employers.

“Assisted residents to apply for and/or attend community college or a four-year higher education institution”

Examples of a Do

- » A City/IFA developer may partner with a community college or four-year institution admissions team to apply for admission. This could take place as an application workshop where admissions counselors are present to help guide attendees through the application process.
- » Outreach efforts should be documented for reaching out to LMI workers in addition to attendance lists and information about the admissions workshop.
- » Adult LMI workers should be the target audience, not high schoolers.

Examples of a Don't

- » Post a link to the application page of a local university, college, or community college without the outreach and actual assistance to residents in applying.

“Assisted residents to apply for and/or attend a vocational/technical training program”

Examples of a Do

- » A City/IFA developer may partner with a vocational/technical training program, union, etc. admissions team. This could take place as an application workshop where admissions counselors from the program, construction trades union, etc. are present to help guide attendees through the application process.
- » Outreach efforts should be documented for reaching out to LMI workers in addition to attendance lists and information about the admissions workshop.
- » Adult LMI workers should be the target audience, not high schoolers.

Examples of a Don't

- » Post a link to the application page of vocational/training program without the outreach and actual assistance to residents in applying.

“Assisted residents with obtaining financial literacy training and/or financial coaching”

Examples of a Do

- » A City/IFA developer may partner with a HUD-certified financial counselor to host a training or workshop on financial literacy and/or financial coaching.
- » Outreach efforts should be documented for reaching out to LMI workers in addition to attendance lists and information about the training or workshop.
- » See link for list of HUD counselors:
https://hud4.my.site.com/housingcounseling/s/?language=en_US

Examples of a Don't

- » Host a training that does not involve a HUD-certified financial counselor.

“Assisted residents with finding childcare”

Examples of a Do

- » A City/IFA developer may partner with local childcare institutions to help provide options for childcare in the community. This could be done as a workshop.
- » Outreach efforts should be documented for reaching out to LMI workers in addition to attendance lists and information about the training or workshop.
- » See the link for childcare providers in Iowa:
<https://ccmis.dhs.state.ia.us/clientportal/providersearch.aspx>

Examples of a Don't

- » Providing the website or contact information to a childcare facility in a newspaper or Facebook post without specifically targeting LMI workers
- » Not providing specific examples of affordable childcare facilities but rather just claiming "childcare resources may be available upon request"

“Provided or connected residents with supportive services that can provide direct services or referrals”

Examples of a Do

- » A City/IFA developer may partner with local organization to help connect residents with these reservices. It can take the place of a workshop, information posted to the website & posted in public, etc.
- » Outreach efforts should be documented for reaching out to LMI workers in addition to information on where the information is posted and, if holding a workshop, attendance lists and information about the training or workshop.

Examples of a Don't

- » Submit a chamber of commerce hiring managers' roundtable discussion on hiring challenges locally.
- » This event is not for or open to LMI workers and does not provide a direct benefit to developing the LMI workforce.
- » Outcomes from the roundtable may help develop the LMI workforce, however, so worth following up on their conclusions.

“Held a job fair”

Examples of a Do

- » The local IowaWorks office is hosting a job fair. Firms that specialize in construction, demolition, and rehabilitation activities will be in attendance.
- » Outreach to the LMI general public was done through sending information (no fewer than 4 days, no more than 20 days) to organizations that serve LMI workers in the community, along with posting to the City social media pages.
- » IFA developer may host a job fair with construction, demolition, and rehabilitation contractors & conduct outreach.

Examples of a Don't

- » Conduct outreach for a National Guard job fair. While eligible Section 3 employers will attend, it is not open to the LMI general public.
- » Conduct outreach for a high school job fair. Again, same reasoning as above.
- » Falsify a job fair for the purposes of meeting this qualitative effort.

“Indirect training of Section 3 Workers, including arrangement, contracting, and/or paying for off-site training”

Examples of a Do

- » Connect with a local community college or other educational institution to provide resources such as training, scholarships, etc. That help to increase the skills of the LMI work force. These efforts should be advertised through various means such as postings in the library, local food pantry and the cities Facebook/website.
- » Find local organizations to partner with that do job trainings and work to advertise these trainings through various means such as postings in the library, local food pantry and the cities Facebook/Website

Examples of a Don't

- » Submit a flyer or a newspaper article about a local trades program at the community college as a qualitative effort and have no documentation of any outreach done to make LMI workers aware of the opportunity.

“Indirect training of Section 3 Workers, including arrangement, contracting, and/or paying for off-site training”

Examples of a Do



 EASTERN IOWA COMMUNITY COLLEGES
CLINTON • MUSCATINE • SCOTT

Call **800-637-0559**

- Carpenters
- Building Inspector
- Boilermakers
- Electrician

**Your Career
in Construction**

LEARN a TRADE for FREE!

Earn college credits and a Construction Technology certificate at EICC

Examples of a Don't

- » Submit a flyer or a newspaper article about a local trades program at the community college as a qualitative effort and have no documentation of any outreach done to make LMI workers aware of the opportunity.

“Technical training of Section 3 Workers, including arrangement, contracting, and/or paying for off-site training”

Examples of a Do

- » The community college, University of Iowa, local union, etc. offer a construction, demolition, or rehabilitation training program in the community or nearby.
- » The City may offer a program to provide for transportation to the program for LMI individuals and/or pay for admissions fees, textbooks, etc.

Examples of a Don't

- » Tell a contractor that they have to host a training for people who may show up.
- » Training on the job site turns into free labor for the contractor for the time period rather than a training session. Davis Bacon concerns emerge.
- » Someone gets hurt on the site, and insurance doesn't cover it. Liability to take into account here.

“Outreach efforts to identify and secure bids from Section 3 Business Concerns”

Examples of a Do

- » Reach out to all Section 3 Business Concerns identified on the HUD Opportunity Portal in an appropriate service area to inform them of relevant contracting opportunities.
- » Include documentation of the outreach and scope of work that the outreach was conducted for.
- » Good option for IFA developers.

Examples of a Don't

- » Submit a letter insisting that there are no Section 3 Business Concerns in Iowa (there are firms) and that a search that found none is sufficient for conducting this outreach.
- » If there are no Section 3 Business Concerns in the area that can do eligible work, then this qualitative effort is not appropriate.

“Providing technical assistance to Section 3 Business Concerns to help them understand the contracting process and help to bid on projects”

Examples of a Do

- » Southeastern Community College’s Center for Business (CBIZ) offers flexible trainings for business and industry.
- » One approach could be to partner with an organization, such as CBIZ, to conduct a training with local Section 3 Business Concerns, Disadvantaged Business Enterprises, and Targeted Small Businesses on contracting, bidding, etc.
- » Include documentation of the training and attendance sheets.

Examples of a Don’t

- » Cold call or cold email all Section 3 Business Concerns in Iowa a copy of a Section 3 presentation or the Section 3 regulation.

“Dividing up contracts into smaller jobs to facilitate participation from Section 3 Businesses”

Examples of a Do

- » Search the HUD Opportunity Portal, Iowa DOT DBE registry, etc. and identify firms that realistically could bid on the work being performed.
- » Divide up the contract into smaller pieces that may better fit their capacities.
- » Document the search and outreach on the procurement process to the Section 3 Businesses and DBEs.
- » Good option for IFA developers.

Examples of a Don't

- » Write a letter explaining that a search showed there are no relevant Section 3 Businesses on the HUD Opportunity Portal and that is sufficient for meeting this qualitative effort.

“Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 Businesses”

Examples of a Do

- » We do not expect this qualitative effort to be implemented.

Examples of a Don't

- » Write a letter explaining that a search showed there are no relevant Section 3 Businesses on the HUD Opportunity Portal and that is sufficient for meeting this qualitative effort.

Section 3: More Information

- » More information can be found in Appendix Eight of the CDBG Management Guide and templates can be found under “Appendix Eight Files”: <https://www.iowaeda.com/cdbg/management-guide/>.
- » See our 2023 Certified Grant Administrator Section 3 Training here for more information on the rule and templates to use: <https://www.iowaeda.com/cdbg/training-resources/>

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