

**CITY OF PORTSMOUTH, NH**  
**COMMUNITY DEVELOPMENT DEPARTMENT**

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## **Section 3 Requirements for Construction Projects Funded by CDBG**

### **What is the Section 3 requirement?**

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701 u) requires the City of Portsmouth to ensure to the greatest extent feasible that employment and other economic and business opportunities that are generated by HUD (e.g. CDBG Program) financial assistance are directed to public housing residents and other low-income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very-low income persons.

Section 3 is applicable when the normal completion of construction and rehabilitation projects creates the need for new employment, contracting, subcontracting or training opportunities. If a project funded in whole or in part with HUD monies does not result in new employment, contracting, or training opportunities, then the requirements of Section 3 are not applicable.

### **What is a Section 3 resident or business concern?**

A Section 3 resident is a public housing resident or an individual who lives in Portsmouth who is a low or very low income person as that term is defined by the U.S. Department of Housing and Urban Development.

Section 3 business concerns are businesses that can provide evidence that they meet one of the following: 51 percent or more owned by Section 3 residents; or at least 30 percent of its fully time employees include persons that are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or provides evidence, as required, of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in the above two paragraphs.

### **What responsibilities do contractors/subcontractors have if they receive Section 3 covered financial assistance?**

If the contractor/subcontractor has the need to hire new persons to complete the Section 3 covered contract or needs to subcontract portions of the work to another business, they are required to direct their newly created employment and/or subcontracting opportunities to Section 3 residents and business concerns. In addition, the contractor/subcontractor must notify the City about their efforts to comply with Section 3 and submit any required documentation.

- If your business will not be hiring any new persons or subcontracting portions of the work to another business, please complete the form below and return it to: City of Portsmouth, Community Development Department, 1 Junkins Avenue, Portsmouth, NH 03801.
- If your business will need to hire new persons or subcontract portions of the work to another business, please contact Community Development at [610-7281](tel:603-728-7281) for additional resources and assistance. The form below will be required every pay period in connection with the project.

# CITY OF PORTSMOUTH, NH

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## Section 3 Compliance Form

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting. The GC is also required to provide this form to any subcontractor firms they hire for this project.

Project Name: \_\_\_\_\_ Contact: \_\_\_\_\_

Project Address: \_\_\_\_\_

Please review the information below and check all that apply. You must sign and date this form for every pay period in connection with this project and send to:

City of Portsmouth  
Community Development Department  
1 Junkins Avenue  
Portsmouth NH 03801

Pay Period from: \_\_\_\_\_ to: \_\_\_\_\_

\_\_\_ I have not hired any new employees during the pay period specified.

\_\_\_ I have hired \_\_\_ Section 3 employees and/or \_\_\_ non-Section 3 employees during the pay period shown here.

\_\_\_ I have taken one or more of the following recruitment steps to hire a Section 3 resident with the highest training and employment priority ranking.

*Below, I have checked the steps I have taken to find Section 3 low-income residents, from the targeted groups and neighborhoods, to fill any vacancies (check all that apply):*

\_\_\_ I have advertised to fill vacancy(ies) at the site(s), where work is taking place, in connection with this project.

\_\_\_ Placed job vacancy signs or posters in prominent places at \_\_\_ Portsmouth Housing Authority, and/ or \_\_\_\_\_ (named) public housing developments.

\_\_\_ Taken photographs of the above item to document that the above step was carried out.

\_\_\_ Distributed employment flyers to each of the residents at these developments listed above.

\_\_\_ Contacted the City of Portsmouth for information and Certified Section 3 Business Concerns referrals and NHES employment referrals.

\_\_\_ Kept a log of all applicants and indicated the reasons why Section 3 residents who applied were not hired.

\_\_\_ Retained copies of any employment applications completed by public housing Section 8 certificate or voucher holders or other Section 3 residents.

\_\_\_ Sent a notice about Section 3 training and employment requirements and opportunities to labor organizations or to worker representatives with whom our firm has a collective bargaining or other agreement.

\_\_\_\_Sent proof of all checked items to the City of Portsmouth.

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Firm Name

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Authorized Name (printed)

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Title

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Signature

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Date