# [Grantee or Subrecipient Name] Section 3 *Project* Implementation

# FORM 3 – LIST OF PERMANENT EMPLOYEES

This form is required for all Section 3-triggered projects (over $200,000) and must be submitted with bid or application for funding and again with the final Section 3 compliance report. Instructions to complete this form are provided at the end of the form.

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| --- | --- | --- | --- |
| Project Name | Contract Execution Date | Construction Start Date | Today’s Date |
| Identify the project name as applicable and/or the nature of the construction. | Enter contract execution date for general/prime contract. | Enter start of construction date for general/prime contract. | Enter date as relevant. |

Please list all current permanent employees (both full and part-time) employed by your company (or local/  
regional office) as of the signature date on FORM 1, as well as employees of all subcontractors working on this project. Use additional sheets as necessary. A computer-generated employee registry can be provided in lieu of this form if it includes the worker’s name, employer and job category and indicates Section 3/targeted Section 3 status.

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| --- | --- | --- | --- | --- | --- |
| No. | Name of Worker | Employer | Job Category/Trade | Section 3 Worker (Y/N) | Targeted Section 3  Worker (Y/N) |
| 1 | Identifying by worker name or worker identification number is appropriate. | Indicate if the worker is employed by general/prime contractor or identify applicable subcontractor. |  | See determination criteria in the form instructions. | See determination criteria in the instructions. |
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Please note that your business may be eligible for Section 3 Business certification if at least 75% of your labor hours performed on all contracts over the past three-month period were performed by employees who meet one of the following categories below:

* The worker lives within one mile of the Section 3 project (or, if fewer than 5,000 people live within one mile of the 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);
* The worker is a HUD YouthBuild participant; or
* The worker's income for the previous or annualized calendar year is below 80% of the current area median income for the area in which the worker resides. (Use the worker’s annual gross income based on AMI for a single-person household.) HUD income limits can be found at [https://www.huduser.gov/portal/datasets/il.html.](https://www.huduser.gov/portal/datasets/il.html))

## Instructions for completing Form 3 - List of Permanent Employees

### Requirement:

This form is required for all Section 3-triggered projects (over $200,000) and must be submitted with bid or application for funding and resubmitted with the final Section 3 compliance report.

The Section 3 threshold is based on the amount of HUD financial assistance to the project rather than a contract threshold amount.

### Purpose:

This form may serve useful to employers in tracking Section 3 workers, however other documentation should be maintained to certify Section 3 workers and Section 3 businesses.

Contractors are required, to the greatest extent feasible, to achieve the benchmarks required for the number of labor hours performed by both Section 3 workers (25 percent of total labor hours) and Targeted Section 3 workers (5 percent of total labor hours).

* 25 percent or more of all labor hours performed on the project must be worked by Section 3 workers = Section 3 labor hours divided by number of total labor hours.

AND

Five percent or more of all labor hours must be worked by Targeted Section 3 workers =

Targeted Section 3 labor hours divided by number of labor hours.

### Project Information Section:

Project Name: Identify the project by name if applicable and/or indicate the nature of the construction.

Contract Execution Date: Identify contract date applicable to general contract.

Construction Start Date: Identify start of construction applicable to general contract.

Today’s Date

### Employee Table:

* Please list all current permanent employees (both full and part-time) employed by your company as of the signature date on Form 1 – Assessment and Certifications, as well as employees of all subcontractors working on this project. Use additional sheets as necessary.
* A computer-generated employee registry can be provided in lieu of this form if it includes the worker’s name, employer and job category and indicates Section 3/targeted Section 3 status.
* It is appropriate to include separate employee lists per subcontractor as long as the employer (subcontractor) is identified on the list.

### Section 3 Worker: Y/N

Refer to Form 8 – Worker Outreach Form to determine if worker is a Section 3 worker, the worker outreach form explains how a worker is determined to be a Section 3 worker and completed by the worker noting their income level. Note that a worker may also be counted as a Section 3 worker if employed by a Section 3 business (Refer to Form 7 – Business Outreach Form for guidance on a Section 3 Business).

* A worker qualifies as Section 3 if they meet one of the following criteria:
  + Are employed by a Section 3 Business Concern
  + Are a HUD YouthBuild participant; or
  + Their individual income for the previous or annualized calendar year is below 80 percent of the current area median income for the area in which the worker resides. (Use the worker’s annual gross income based on AMI for a single-person household.)
    - The HUD income limits for California’s counties and metro areas can be found at [State and Federal Income, Rent, and Loan/Value Limits | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits) in the section titled: CDBG, HOME and NHTF/HHC Article I - Income, Value, Subsidy, and Rent Limits.
    - Contact the HCD Section 3 Coordinator or the local jurisdiction awarded the HUD CDBG-DR or CDBG-MIT funds to ensure that you are accessing the most current HUD income limits.
    - The most current HUD income limits are included by appendix to this Section 3 forms packet.

### Targeted Section 3 Worker: Y/N

Refer to Form 8 – Worker Outreach Form to determine if worker is a Targeted Section 3 worker, the worker outreach form explains how a worker is determined to be a Targeted Section 3 worker and completed by the worker noting their income level. Note that a worker may also be counted as a Targeted Section 3 worker if employed by a Section 3 business (Refer to Form 7 – Business Outreach Form for guidance on a Section 3 business).

* A worker qualifies as a Targeted Section 3 if they meet one of the following criteria:
  + Are employed by a Section 3 business concern.
  + Are a HUD YouthBuild participant (see note below); or
  + Reside within a circle entered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census). Contact the HCD Section 3 Coordinator or the local jurisdiction (Subrecipient) awarded the HUD CDBG-DR or CDBG-MIT funds to ensure that you are calculating the area for the area correctly. [HUD Mapping Tool](https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=1d27b42dd64e4684ba74fe5bd00f9755) to determine service area.

Note: YouthBuild is a community-based pre-apprenticeship program administered by the U.S. Department of Labor that provides job training and educational opportunities for at-risk youth ages 16-24 who have previously dropped out of high school.