

*The Section 3 Policy was adopted by the City of Charlottesville June 20, 2011. The Section 3 Policy was then modified and approved by Council December 17, 2012. The Section 3 Policy has been modified and approved on July 15, 2013 to include Section 3 requirements on covered Charlottesville Housing Fund projects per City Council.*

# Section 3 Policy

City of Charlottesville and the  
Charlottesville Redevelopment and  
Housing Authority

The City of Charlottesville (hereafter referred to as the City) and Charlottesville Redevelopment and Housing Authority (hereafter referred to as the CRHA), in compliance with HUD requirements and local initiatives, have adopted this Section 3 Policy to support training, employment, contracting and other economic opportunities for the purpose of providing jobs and furthering business opportunities for low to very-low income persons and business concerns.

## TABLE OF CONTENTS

I. Purpose	2
II. Applicability	2
III. Goals of the Section 3 Regulation	3
IV. City and CRHA Responsibilities	4
V. Contractor Responsibilities	4
VI. Preferences and Eligibility	7
VII. Other Economic Opportunities	9
VIII. Complaints and Compliance	9
IX. Definitions	10
X. Resolutions by City and CRHA	14-16

## **I. PURPOSE**

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u (hereinafter Section 3), is to “ensure that employment and other economic opportunities generated by certain HUD financial funding shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed toward low and very low-income persons, particularly those who are recipients of government funding for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.”

Consistent with 24 CFR Part 135, as a recipient of HUD funding, the City of Charlottesville (hereafter “City”) and the Charlottesville Redevelopment Housing Authority (hereafter “CRHA”) require fulfillment of Section 3 requirements on all contracts that are covered by that assistance. The City and the CRHA work to ensure the provision of employment, training, contracting, and other economic opportunities to its low-income persons (as defined herein). In doing so, the City and the CRHA utilize Section 3 as a means of promoting stability and self-sufficiency to Section 3 Residents. Implementation procedures may be amended periodically by the City and the CRHA to ensure that the policy requirements are met and/or to enhance the efficiencies of compliance.

Because of the potential value to be realized through implementation of Section 3 efforts, the City Council of the City of Charlottesville has also directed that Section 3 be applied to proceeds from the Charlottesville Housing Fund.

## **II. APPLICABILITY**

Section 3, as amended, requires that economic opportunities generated by certain HUD financial assistance for housing including Public and Indian Housing and Community Development Programs shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

Section 3 requirements apply to projects and activities partially or wholly funded by: 1) development assistance provided pursuant to section 5 of the U.S. Housing Act of 1937, 2) operating assistance provided pursuant to section 9 of the 1937 Act, 3) modernization assistance provided pursuant to section 14 of the 1937 Act, 4) Community Development Block Grant (CDBG), 5) the HOME Investment Partnership (HOME), 6) Charlottesville Housing Fund (CHF).

The City's Section 3 requirements apply to all contractors and subcontractors performing work in connection with HUD funded projects for which the amount of total federal assistance exceeds \$200,000; and/or the amount of the contract or subcontract exceeds \$100,000.<sup>1</sup> The City's Section 3 requirements also apply to all recipients, sub recipients, contractors and subcontractors performing work in connection with CHF funded projects for which the amount of the contract or subcontract exceeds \$100,000.

The CRHA's Section 3 requirements apply to all contractors and subcontractors performing work in connection with projects and activities funded by public housing assistance covered by Section 3, regardless of the amount of the contract or subcontract.<sup>2</sup>

The City also desires that contracts, which are not covered by Section 3 requirements, benefit Section 3 businesses and low and very low income individuals. The City greatly encourages businesses to demonstrate compliance with the "greatest extent feasible" requirement as set forth at 24 CFR 135 to further Section 3 training, employment, contracting and other economic opportunities.

### **III. GOALS OF THE SECTION 3 REGULATIONS**

The City and the CRHA and their sub recipients, contractors and subcontractors will demonstrate compliance with Section 3 by providing opportunities to Section 3 residents and Section 3 business concerns for section 3 covered programs to the greatest extent feasible in three ways, listed in order of preference; however, it should be noted that if there is a triggering event, hiring and contracting compliance is mandatory.

#### **A. Hiring low- and very low-income workers**

On Section 3 covered projects, at least 30% of the aggregate number of full-time new hires by the City, the CRHA, and its recipients, sub recipients and contractors on covered projects must be Section 3 eligible participants, with a preference for residents at the development where the work is being performed or in the area where the work is being performed. It should be noted that if all qualifications are met and remain equal, Section 3 residents will be given priority for hiring.

#### **B. Awarding contracts to Section 3 business concerns**

Award at least 10% of the total dollar amount of all Section 3 covered contracts for building trades work for maintenance, repair, modernization or development of Public or Indian Housing, or for building trades work arising in connection with housing rehabilitation, housing construction, and other public construction to

---

<sup>1</sup> 24 CFR 135.3

<sup>2</sup> 24 CFR 135.3(3)(i)

Section 3 business concerns. Award at least 3% of the total dollar amount of all other Section 3 covered contracts to Section 3 business concerns.

**C. Providing other economic opportunities**

If the two goals above cannot be met by the City, the CRHA, and its recipients, sub recipients, or its contractors, other training and employment opportunities can be provided to substitute for goals A and B. Firms may provide other economic opportunities and will be responsible for soliciting and contracting a qualified firm experienced in providing a Department of Labor Approved curriculum consistent with Section 3 requirements [135.11] in the area of resident training in the following areas:

- Employment Readiness and Professional Development
- Section 3 Small Business Concern Development Training
- Building Construction Trades Classroom Training
- Other direct skills trainings unrelated to public housing solicited commodities<sup>3</sup>

**IV. CITY AND CRHA RESPONSIBILITIES**

The City and the CRHA, as the recipients of HUD funding, accept the responsibility of not only enforcing the Section 3 requirements, but also pro-actively facilitating compliance with Section 3. The City and the CRHA will fulfill this responsibility by following the procedures as outlined in the Section 3 Standard Operating Procedures. The City, through its decision to extend Section 3 to applicable CHF covered projects, also accepts the responsibility of pro-actively facilitating compliance to the greatest extent feasible, where applicable, with Section 3 on CHF covered projects. Through the City's decision to extend non-covered opportunities to Section 3 residents, the City's Department of Human Resources will be required to notify Section 3 staff of all City employment opportunities.

**V. CONTRACTOR RESPONSIBILITIES**

All contractors who enter into a Section 3 covered contract with the City and/or the CRHA must agree to comply with HUD's regulations in 24 CFR Part 135. The Section 3 contract clause specifies the requirements for contractors hired for Section 3 covered projects. These requirements must be included in all such contracts. All covered contracts shall include in full the following clause (referred to as the Section 3 Clause<sup>4</sup>):

**HUD Section 3 Clause**

---

<sup>3</sup> 24 CFR 135.11(d)

<sup>4</sup> 24 CFR 135.38

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing and business concerns that provide economic opportunities for low and very low income persons.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the regulations of 24 CFR Part 135.
- C. The contractor agrees to send to each labor organization representative, workers with which the contractor has a collective bargaining agreement, or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future contracts.<sup>5</sup>

---

<sup>5</sup> 24 CFR 135.38; 24 CFR 135.76(g)

### CHF Section 3 Clause

All recipients, sub recipients, contractors and subcontractors who enter into a CHF covered contract with the City must agree to comply with the City's Section 3 Policy. The CHF Section 3 contract clause specifies the requirements for grantees and contractors hired for CHF covered projects. These requirements must be included in all such contracts. All CHF covered contracts shall include in full the following clause (as referenced from the Section 3 Clause<sup>6</sup>):

- A. The work to be performed under this contract has been selected to be subjected to the requirements of the City's Section 3 Policy. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing and business concerns that provide economic opportunities for low and very low income persons. The City of Charlottesville requires that all CHF covered contracts target training, employment and contracting opportunities to Section 3 businesses as well as low and very low income individuals in order to demonstrate compliance with the greatest extent feasible requirements set forth in the City's Section 3 Policy.
- B. The parties to this contract agree to comply with the City's Section 3 Policy. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the regulations of the City's Section 3 Policy.
- C. The contractor agrees to send to each labor organization representative, workers with which the contractor has a collective bargaining agreement, or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this CHF Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice should describe the Section 3 preference, set forth minimum number of job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The contractor agrees to include this CHF Section 3 clause in every subcontract subject to compliance with the City's Section 3 Policy, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this CHF Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in the City's Section 3

---

<sup>6</sup> 24 CFR 135.38

Policy. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the City's Section 3 Policy.

- E. Once a contractor has committed to comply with Section 3, the City will expect applicable HUD regulations found at 24 CFR Part 135 to be adhered to, just as if Federal funding had triggered the same.
- F. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of the City's Section 3 Policy require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under the City's Section 3 Policy.
- G. Noncompliance with the City's Section 3 Policy may result in sanctions, termination of this contract for default, and debarment or suspension from future contracts.<sup>7</sup>

Examples of activities to demonstrate compliance with these efforts include distributing or posting flyers advertising positions to be filled, posting opportunities in a timely manner on the City's and the CRHA's website (if applicable), contacting the City and the CRHA for a list of residents that may have expressed interest in Section 3 employment, notifying the City and the CRHA about open positions, holding job informational meeting for residents, etc. Contractors will be responsible for submitting regular payrolls and documenting compliance efforts. The contractor shall maintain on file all records related to employment and job training of low-income and very low-income residents or other such records, advertisements, legal notices, brochures, flyers, publications, Section 3 forms from subcontractors, etc, in connection with covered contracts. If there is a report that is needed as part of the submission the contractor agrees to provide it timely. The contractor shall, upon request, provide such records or copies of records to the City and/or the CRHA and will maintain this information on file in conformance with record retention requirements as specified within the contract with the City / CRHA.

## **VI. PREFERENCES AND ELIGIBILITY**

*Note: All persons that are recipients of housing assistance by the government are Section 3 Residents and Public Housing Residents are top priority Section 3 Residents. The businesses owned by public housing residents are top priority business concerns. In Section 3 covered projects and/or contracts, when employment or contracting opportunities are offered as a result*

---

<sup>7</sup> 24 CFR 135.38  
24 CFR 135.76



*of Section 3 and all requirements are met and remain equal, public housing and/or Housing Choice Voucher residents/businesses within the City shall be provided preference over other Section 3 residents/business concerns and non-section 3 residents/business concerns. The City, the CRHA, recipients, sub-recipients, contractors and subcontractors are to apply the following preferences as described in Parts A through B.*

- A) Regarding the hiring of Section 3 residents, Preference shall be given to those residents who live at the project site where the Section 3 covered assistance is expended.

Tier I Section 3 Residents shall be as prescribed below:

- I. Persons assisted with housing by the federal government in the neighborhood within the target area where the project is located.
- II. Other persons who are residents of Charlottesville Redevelopment and Housing Authority properties and or recipients of Section 8 Vouchers issues by the City of Charlottesville.
- III. Other persons who are participants of HUD programs being carried out in the City of Charlottesville.

Tier II Section 3 Residents shall be as prescribed below:

- IV. Low and very low income persons (as defined herein) within the City of Charlottesville.
- V. Low and very low income persons within the Charlottesville metropolitan statistical area.

- B) Regarding the contracting opportunities for Section 3 business concerns, preference shall be given in the following order:

- I. Section 3 business concerns owned at least 51 percent by any Section 3 residents of where the project is located and where the covered assistance is expended.
- II. Section 3 business concerns that are owned at least 51 percent by Section 3 residents of the City.
- III. Section 3 business concerns that provide economic opportunities for Section 3 residents in the service area or neighborhood in which the Section 3 covered project is located (at least 30 percent of full-time staff are Section 3 residents from the project site).
- IV. Section 3 business concerns within the Metropolitan Statistical Area.
- V. Other Section 3 business concerns.

- C) Regarding eligibility, a Section 3 resident seeking a preference must fulfill the requirements of the sought position and, if asked, must provide evidence of their Section 3 status. A Section 3 business concern seeking to qualify for a Section 3 contracting preference shall certify or submit evidence that the entity qualifies as a

Section 3 business concern. The Section 3 business must also be qualified and be able to demonstrate its ability to complete the contract. The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to federal procurement standards.<sup>8</sup>

#### **VII. OTHER ECONOMIC OPPORTUNITIES**

For all contracts where Section 3 requirements are applicable, other economic opportunities may only be used where a contractor or sub-recipient cannot comply with the hiring or subcontracting goals set forth in the Preference Tier structure in paragraph VI. Whenever the other economic opportunities are employed on Section 3 covered contracts (as defined herein), other economic opportunities must equal or exceed 3% of the total contract value including any change orders. Whenever the other economic opportunities are employed on contracts that are not covered by HUD assistance, then the value of other economic opportunities is to be determined between the City and the Contractor on a mutually agreed basis.

#### **VIII. COMPLAINTS AND COMPLIANCE**

Any Section 3 resident or business concern that feels that the Section 3 regulations were not complied with on Section 3 covered contracts are encouraged to first refer to the City or CRHA's complaint process. Section 3 residents or business concerns that feel that the Section 3 regulations were not complied with are also encouraged to contact the Section 3 Coordinator before filing a complaint directly to HUD. Any Section 3 resident or Section 3 Business (or authorized representative) may file a complaint directly to the Assistant Secretary for Fair Housing and Equal Opportunity at the following address (or as otherwise directed by HUD):

**Assistant Secretary for Fair Housing and Equal Opportunity**  
**Department of Housing and Urban Development**  
Philadelphia Regional Office of FHEO  
U.S. Department of Housing and Urban Development  
The Wanamaker Building  
100 Penn Square East, 12th Floor  
Philadelphia, Pennsylvania 19107-3380  
(215) 861-7646 or 1-888-799-2085 or TTY (215) 656-3450

The complaint must be in writing and be received within 180 days from the date of the action upon which the complaint is based. It should include the complainant's name and address, the City or contractor's name and address, and a description of the acts in question. The complainant will receive a response from HUD within 10 days in which further investigation will be explained.

---

<sup>8</sup> 24 CFR 85.36, 24 CFR 85.36b(8)

## **IX. DEFINITIONS**

Please refer to the 24 CFR 135.5 for a full list of prevailing definitions found in the regulation.

The City of Charlottesville and the Charlottesville Redevelopment and Housing Authority incorporate into this policy the definitions contained in 135.5 of 24 CFR Part 135 and any changes or updates to these definitions as may from time to time be incorporated into 24 CFR Part 135.

The City of Charlottesville and the Charlottesville Redevelopment and Housing Authority make no representation concerning interpretation and meaning of Section 3 of the Housing Act of 1968, as amended, and of 24 CFR part 135 beyond this policy. It is recommended that interested parties refer directly to the law and regulations for a complete understanding of their meaning.

**CHARLOTTESVILLE HOUSING FUND (CHF) COVERED CONTRACT:** A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of CHF covered funding or for work arising in connection with a CHF covered project. "CHF Contracts" do not include contracts for the purchase of supplies and materials except, whenever a contract for materials includes the installation of the materials.

**CHARLOTTESVILLE HOUSING FUND (CHF) COVERED PROJECT:** The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with CHF funding.

**EMPLOYMENT OPPORTUNITIES GENERATED BY SECTION 3 COVERED ASSISTANCE:** All employment opportunities generated by the expenditure of Section 3 covered funding (i.e. operating funding, development funding, and modernization funding) and with respect to Section 3 covered housing and community development funding, all employment opportunities arising in connection with Section 3 covered projects, including management and administrative jobs (including architectural, engineering, or related professional services and jobs directly related to administrative support of these activities) connected with the Section 3 covered project.

**FULL-TIME EMPLOYEE:** A permanent worker who is employed on a year-round basis and who works a full workweek, generally 30 to 40 hours per week.

**LOW INCOME PERSON:** Families (including single persons) whose incomes do not exceed 80% of the median income for the project area.

NEW HIRES: New position and or vacant position filled with full-time employees for permanent, temporary or seasonal employment opportunities for any specific City or CRHA related contract.

ON THE JOB TRAINING (OJT): Planned and organized training, conducted at the employer's worksite. The trainee uses the actual tools, equipment, documents or materials that employees will use when fully trained. OJT aims to broaden and develop the employee's knowledge, skills, and abilities that are unique to a job.

RECIPIENT: Any recipient which receives Section 3 covered funding, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian Tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee, or transferee of any such recipient, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include Section 3 contractors.

RESIDENT OWNED BUSINESS (ROB): A ROB is a Business Concern owned or controlled by Public Housing Residents, or low income residents that are: (a) at least fifty-one (51%) percent owned and operated by one or more public housing residents; and (b) whose management and daily business operations are controlled by one or more such individuals. For purposes of Section 3 compliance, a ROB must also meet the definition of a Section 3 Business Concern as described below.

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

SECTION 3 BUSINESS CONCERN: As defined by HUD, a Section 3 Business Concern is one:

- A. That is fifty-one (51%) percent or more owned by Section 3 Residents; or
- B. Whose permanent, full-time employees includes persons, at least thirty percent (30%) of whom are current Section 3 Residents, or were Section 3 Residents within three (3) years of the date of first employment with the Business Concern if the contractor is working on a redeveloped or replacement asset; or
- C. That provides evidence of a commitment to subcontract a minimum of twenty-five percent (25%) of the total contract award amount (including any modifications) to a Section 3 Business Concern(s) as defined in A or B. Example: If the Contract amount is \$1,000,000, contractor must subcontract at least 25% or \$250,000 to a Section 3 Business Concern(s) as defined in A or B in this part.

SECTION 3 CLAUSE: The contract provisions and sanction set forth in 24 CFR 135.38

CHF SECTION 3 CLAUSE: The contract provisions set forth in the City's Section 3 Policy as it pertains to covered CHF funding.

SECTION 3 COVERED ACTIVITY: Any activity that is funded by Section 3 covered funding.

SECTION 3 COVERED ASSISTANCE: Section 3 applies to the following HUD assistance (Section 3 covered assistance):

(1) Public and Indian housing assistance. Section 3 applies to training, employment, contracting and other economic opportunities arising from the expenditure of the following public and Indian housing assistance:

- (i) Development assistance provided pursuant to section 5 of the U.S. Housing Act of 1937 (1937 Act);
- (ii) Operating assistance provided pursuant to section 9 of the 1937 Act; and
- (iii) Modernization assistance provided pursuant to section 14 of the 1937 Act;

The requirements of part 135 apply to recipients of covered section 3 housing and community development assistance for which the amount of the assistance exceeds \$200,000; and these requirements apply to contractors and subcontractors performing work on projects funded by housing and community development assistance for which the recipient's award exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If the recipient's award of assistance exceeds \$200,000, but the contracts and subcontracts do not exceed \$100,000, then only the recipient is subject to the Section 3 requirements. The recipient's responsibility includes awarding contracts, to the greatest extent feasible, to Section 3 business concerns.

SECTION 3 COVERED CONTRACT: A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered funding or for work arising in connection with a Section 3 covered project. "Section 3 Covered Contracts" do not include contracts for the purchase of supplies and materials except, whenever a contract for materials includes the installation of the materials.

SECTION 3 COVERED PROJECT: The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development funding.

SECTION 3 JOINT VENTURE: An association of business concerns, one of which qualifies as a Section 3 Business Concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the Section 3 Business Concern:

- Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and

- Performs at least 25% of the work and is contractually entitled to compensation proportional to its work.

VERY LOW INCOME PERSON: Families (including single persons) whose incomes do not exceed 50% of the median family income for the project area.

Please refer to [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html) for current, local Income Limit information.

- ❖ Select current year.
- ❖ Select “Access Individual Income Limit area”
- ❖ Select “click here for FY XXXX IL Documentation” (where XXXX is the current fiscal year)
- ❖ Select State & County

## RESOLUTION

**WHEREAS**, the City of Charlottesville and Charlottesville Redevelopment and Housing Authority adopted on June 20, 2011 a Section 3 Policy, which promotes training, employment, contracting and other economic opportunities for low income persons and business concerns; and

**WHEREAS**, the Section 3 Steering Committee, comprised of representatives from the City, CRHA, Thomas Jefferson Planning District Commission, Legal aid Justice Center, Public Housing Residents Association, Central Virginia Small Business Development Center, and CATEC, provided recommendations for changes to the Section 3 Policy; and

**WHEREAS**, the committee recommendations included modifications to the current policy (*e.g.*, separating policy from procedures, defining "other economic opportunities" and the tier preference structure, and outlining City, CRHA and contractor responsibilities), and the revised Section 3 Policy has been presented to Council for review and approval; now, therefore,

**BE IT RESOLVED** that the Council of the City of Charlottesville, Virginia, does hereby adopt the attached Section 3 Policy, as revised, a copy of which is attached hereto.

Approved by Council  
December 17, 2012



Yvonne Bayfield

Clerk of Council

**RESOLUTION**

**Section 3 Application to Charlottesville Housing Fund Assisted Projects**

**BE IT RESOLVED** by the City Council of the City of Charlottesville, Virginia that the Section 3 requirements are applicable to all Charlottesville Housing Fund assisted projects beginning with Fiscal Year 2014 projects.

Approved by Council  
July 15, 2013

A handwritten signature in cursive script, appearing to read "Yvonne Bayfield", is written over a horizontal line.

Clerk of Council



## **CRHA RESOLUTION**

TO ADOPT THE SECTION 3 POLICY TO COMPLY WITH 24 CFR, PART 135, SECTION 3 OF THE UNITED STATES DEPARTMENT OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AS AMENDED

WHEREAS, the United States Congress passed Section 3 of the Housing and Urban Development Act of 1968 as amended 12 U.S.C. 1701u (hereinafter Section 3) to further the goal of ensuring that federal funds benefit the residents of projects funded wholly or in part by those funds; and

WHEREAS, Part 135 of Section establishes the standards and procedures to be followed to ensure that the objectives of Section 3 are met; and

WHEREAS, the Charlottesville Redevelopment and Housing Authority (CRHA) has developed a Section 3 Policy in adherence to 24 CFR, Part 135 that comprehensively addresses the standards and procedures prescribed in the Act; and

WHEREAS, the Section 3 Policy has been reviewed and approved by CRHA management and staff and their comments incorporated into the Policy.

NOW, THEREFORE, BE IT RESOLVED THAT the Charlottesville Redevelopment and Housing Authority authorizes the adoption and implementation of this Section 3 Policy to ensure compliance with Federal Law.

APPROVED AND ADOPTED this 20 day of June 2011.