**CDBG-DR/MIT PROGRAM**

**SECTION 3 BUSINESS CONCERN SELF-CERTIFICATION FORM**

# PURPOSE

Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. § 1701u, as amended by the Housing and Community Development Act of 1992 (**HCDA**), and the Federal Register Notice Vol. 85, No. 189 (September 29, 2020), 85 FR 61524, require that when feasible, recipients must make best efforts to direct contracts for work arising in connection with a public housing investment or Section 3 project to Section 3 Business Concerns. This form is for businesses seeking to show that they meet the requirements to be considered as a Section 3 Business Concern.[[1]](#footnote-1)

# INSTRUCTIONS

1. Complete “Table A: Business Information”.
2. Choose and complete Part 1 “Business Ownership” or Part 2 “Labor Hours for the Section 3 Workers in the Business”, as applicable.
3. If you do not meet any of the criteria presented in Part 1 or Part 2 of this form, then complete Part 3 “Non-Section 3 Status”.
4. Complete Part 4 “Signature”.
5. Provide and attach to this form the required supporting documents. Without the inclusion of the supporting documents, this form alone will be insufficient to evaluate your Section 3 Business Concern status. At least one (1) document must be provided as evidence of business ownership.
6. Visit the U.S. Department of Housing and Urban Development (**HUD**) Section 3 Business Registry and register your business there: [https://portalapps.hud.gov/Sec3BusReg/ BRegistry/RegisterBusiness](https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness).

# TABLE A: BUSINESS INFORMATION

|  |  |
| --- | --- |
| **Instructions: complete all areas of the table below** | |
| **Business Name** |  |
| **Point of Contact Name** |  |
| **Point of Contact Email** |  |
| **Point of Contact Phone** |  |
| **Address of Business** |  |
| **Business Federal ID Number** |  |
| **Business Type (choose one)** | CorporationPartnership Joint Venture Sole Proprietorship |
| **Industry Area**  **(NAICS Code)** |  |

**1. BUSINESS OWNERSHIP**

If at least fifty-one percent (51%) of the business is owned and controlled by low- or very low-income persons or is owned and controlled by current public housing residents or current Section 8 assisted housing residents, complete sections 1A and 1B below. Please, be sure to attach the required supporting documentation.

|  |  |
| --- | --- |
| DocumentSection 1A | Section 1B |
| Verification of Section 3 Status I am the sole owner of this business or one (1) of a group of owners who qualify as low- or very low-income persons and hold at least fifty-one percent (51%) ownership; or  I am the sole owner of this business or one (1) of a group of owners who are current public housing residents or residents who currently live in Section 8 assisted housing, and hold at least fifty-one percent (51%) ownership and control; and  I am submitting evidence of my low- or very low-income status.  I am submitting evidence of my public housing or Section 8 assisted housing status.  I will be submitting my Section 3 Worker Self-certification Form. | Evidence of Business Ownership I am attaching at least one (1) of the following:  A copy of the business’s Articles of Incorporation.  A copy of the business’s By-laws.  Evidence of my fifty-one percent (51%) ownership in the business; or evidence that combined owners who are low- or very low-income persons or residents of public housing or Section 8 assisted housing comprise fifty-one percent (51%) ownership.  Business Certificate.  Partnership Agreement.  I have filed as a Section 3 business with HUD on their business registry. |

# 2. LABOR HOURS FOR THE SECTION 3 WORKERS IN THE BUSINESS

If the business’s Section 3 Workers performed over **seventy five percent (75%)** of the labor hours performed for the business over the prior three- (3) month period, complete sections 2A and 2B.

|  |  |
| --- | --- |
| Section 2A | StopwatchPaperSection 2B |
| Labor Hours Verification My business workforce currently produces \_\_\_\_\_\_\_ of total labor hours.  I affirm that at least seventy-five percent (75%) of the total number of labor hours were performed by Section 3 Workers. | Evidence of Section 3 Workers Labor Hours I am attaching the roster of all my full-time and part-time permanent workforce and labor hours; and  I am attaching the completed Section 3 Worker Self-certification Form for each of my employees who qualify as a Section 3 Worker or Targeted Section 3 Worker and a copy of their timesheets to indicate their labor hours performed; and  I certify and confirm that I have reviewed the supporting documentation for my employees qualifying as Section 3 Workers and will retain them on my business files and recordkeeping. |

# 3. NON-SECTION 3 STATUS

After reviewing the above information, I can verify that:

As the business owner(s), I(we) **do not have a low- or very low-income as defined by HUD.**

As the business owner(s), I(we) **do not live in public housing or Section 8 assisted public housing.**

Currently, **seventy five percent (75%) or more** of the labor hours for my business over the prior three- (3) month period are not performed by Section 3 Workers.

# 4. SIGNATURE

As the authorized representative of my business, under penalty of perjury, I certify the information provided on this form is true and accurate.

I would like to be included in a listing so that contractors may review my information for available contracting or purchasing opportunities.

I would like to receive notifications about upcoming events and available contracting and purchasing opportunities.

I understand that it is my responsibility to provide the completed form and any additional documents within **thirty (30) calendar days** of the receipt of a written request for information from the Puerto Rico Department of Housing (**PRDOH**). I understand that failure to respond to a request for information and to submit the completed form within the **thirty (30) calendar days** will result in the dismissal of my certification.

**Signature**:

**Date**:

Please remember to send this form with the required supporting documentation, as instructed in the sections above.

**Contractors completing and submitting a Section 3 Business Concern Self-Certification Form with the supporting documentation for PRDOH can send the information to:**

|  |  |
| --- | --- |
| * **Via email at:** | [Section3CDBG@vivienda.pr.gov](mailto:Section3CDBG@vivienda.pr.gov) |
| * **In writing at:** | Puerto Rico CDBG-DR and CDBG-MIT Program  Attn: Federal Compliance and Labor Standards - Section 3  P.O. Box 21365  San Juan, PR 00928-1365 |
| * **In person at:** | Intake Center/PRDOH Headquarters at 606 Barbosa Avenue, Building Juan C. Cordero Dávila, Río Piedras, PR 00918 |

# Frequently Asked Questions

1. **Why is PRDOH providing this form?**

PRDOH, as the grantee of CDBG-DR/MIT funds, is required to comply with Section 3 regulations at 24 C.F.R. Part 75. This form aims to engage Puerto Rico’s Section 3 Business Concerns which may qualify to participate in contracting or purchasing opportunities. PRDOH also wants any subrecipients or contractors working with CDBG-DR/MIT funds to use this form to identify eligible businesses for contracting or purchasing opportunities.

1. **Should I also use the Section 3 Worker Self-certification Form?**

Yes. If you are establishing your business as a Section 3 Business Concern due to your status as a Section 3 Worker or on the basis of labor hours of Section 3 Workers at your business, then you may need to use the Section 3 Worker Self-certification Form.

1. **Will my information become public?**

PRDOH will safeguard your information. Only if you choose to be placed on a listing for contracting or hearing about networking opportunities will PRDOH share this with contractors or subrecipients who are looking for candidates. You can always choose to opt out afterwards by writing to our email: [Section3CDBG@vivienda.pr.gov](mailto:Section3CDBG@vivienda.pr.gov).

1. **How many times do I have to complete this form?**

Once the business is certified as a Section 3 Business Concern it will maintain certification if it continues to comply with the requirements set forth in 24 C.F.R. § 75.5. If there is a change in your Section 3 status, you must provide an updated Section 3 Business Concern Certification Form and/or ask to be removed from our Section 3 Business Concern listing, as appropriate.

**END OF FORM**

1. Section 3 Business Concern means a business concern meeting at least one (1) of the following criteria, documented within the last six- (6) month period: (i) it is at least fifty-one percent (51%) owned and controlled by low- or very low-income persons; (ii) over seventy-five percent (75%) of the labor hours performed for the business over the prior three- (3) month period are performed by Section 3 Workers; or (iii) it is a business at least fifty-one percent (51%) owned and controlled by current public housing residents or residents who currently live in Section 8 assisted housing. 24 C.F.R. § 75.5. [↑](#footnote-ref-1)