

Part II of the Housing Assistance Payments Contract Moderate Rehabilitation

U.S. Department of Housing
and Urban Development
Section 8 Housing Assistance
Payments Program



Agreement/Contract Number:

2.1 Training Employment, and Contracting Opportunities for Business and Lower-Income Persons.

A. The project assisted 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 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income persons residing with the unit of local government or the metropolitan area or nonmetropolitan county, as determined by the Secretary, in which the project is located and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the same metropolitan area or nonmetropolitan county as the project.

B. Notwithstanding any other provision of this Contract, the Owner shall carry out the provisions of Section 3 and the regulations issued by HUD as set forth in 24 CFR, Part 135, and all applicable rules and orders of HUD issues thereunder prior to the execution of this Contract. The requirements of the regulations include, but are not limited to, development and implementation of an affirmative action plan for utilizing business concerns located within, or owned in substantial part by persons residing in, the area of the project; the making of a good faith effort, as defined by the regulations, to provide training, employment, and business opportunities required by Section 3; and incorporation of the "Section 3 clause" specified by Section 135.20(b) of the regulations and paragraph (d) of this Section in all contracts for work in connection with the project. The Owner certifies and agrees that he or she is under no contractual or other disability which would prevent compliance with these requirements.

C. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders issued by HUD thereunder prior to execution of this Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the Owner, the Owner's contractors and subcontractors, successors and assigns. Failure to fulfill these requirements shall subject the Owner, the Owner's contractors and subcontractors, successors, and assigns to the sanctions specified by this Contract, and to such sanctions as are specified by 24 CFR, Section 135.135.

D. The Owner shall incorporate or cause to be incorporated into any contract or subcontract for work pursuant to this Contract in excess of \$50,000 cost, the following clause:

"Employment of Project Area Residents and Contractors

1. The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from HUD and 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 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income persons residing within the unit of local government or the metropolitan area or nonmetropolitan county, as determined by the Secretary, in which the project is located and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the same metropolitan area or nonmetropolitan county as the project.
2. The parties to this Contract will comply with the provisions of Section 3 and the regulations issued by HUD set forth in 24 CFR, Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of this Contract.

The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

3. The contractor will send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding, if any, a notice advising the labor organization or workers' representative of the commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
4. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by HUD, 24 CFR, Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the latter has been found in violation of regulations under 24 CFR, Part 135, and will not let any subcontract unless the subcontractor has first provided the contractor with a preliminary statement of ability to comply with the requirements of these regulations.
5. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders of HUD issued thereunder prior to the execution of the Housing Assistance Payments Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the Owner, the Owner's contractors and subcontractors, successors, and assigns. Failure to fulfill these requirements shall subject the Owner, the Owner's contractors and subcontractors, successors and assigns to those sanctions specified by the Housing Assistance Payments Contract, and so such sanctions are as specified by the Housing Assistance Payments Contract, and so such sanctions are specified by 24 CFR, Section 135.135."

E. The Owner agrees to be bound by the above Section 3 clause with respect to his or her own employment practices when participating in federally assisted work.

2.2 Clean Air Act and Federal Water Pollution Control Act

In compliance with regulations issued by the Environmental Protection Agency ("EPA"), 40 CFR, Part 15, pursuant to the Clean Air Act, as amended ("Air Act"), 42 U.S.C. 7401, *et seq.*, the Federal Water Pollution Control Act, as amended ("Water Act"), 33 U.S.C. 1251, *et seq.*, and Executive Order 11738, the Owner agrees to:

- A. Not utilize any facility in the performance of this Contract or any nonexempt subcontract which is listed on the EPA List of Violating Facilities pursuant to Section 15.20 of the regulations;
- B. Promptly notify the PHA of the receipt of any communication from the EPA indicating that a facility to be utilized for the Contract is under consideration to be listed on the EPA List of Violating Facilities;
- C. Comply with all the requirements of Section 114 of the Air Act and Section 308 of the Water Act relating to inspection monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Air Act and Section 308 of the Water Act, and all regulations and guidelines issued thereunder; and
- D. Include or cause to be included the provisions of this section in every nonexempt subcontract, and take such action as HUD may direct as a means of enforcing such provisions.