Background: As a condition to receiving financial assistance from HUD, the Seattle Housing Authority (SHA) is required to report to HUD the number of hours worked by Section 3 workers and Targeted Section 3 workers on SHA’s contracts. To gather that information, SHA is requiring all firms contracting with SHA to track their Section 3 hours and to submit to SHA a monthly report. SHA created a form (see the back of this page) for all contractors and consultants to use for this monthly report.

HUD requires SHA and its contractors to use their best efforts to achieve the following Section 3 benchmarks:

For Section 3 Workers - 25 percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance for SHA’s fiscal year.

For Targeted Section 3 Workers - 5 percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance for SHA’s fiscal year.

Definitions:

Section 3 worker. A Section 3 worker is any worker who currently fits, or when hired within the past five years fit, at least one of the following categories, as documented:
1. The worker’s income for the previous or annualized calendar year is below the income limit established by HUD;
2. The worker is employed by a Section 3 business concern; or
3. The worker is a YouthBuild participant.

Targeted Section 3 worker: A Targeted Section 3 Worker is a Section 3 worker who:
1. Is employed by a Section 3 business concern; or
2. Currently fits or when hired fit at least one of the following categories, as documented within the past five years:
   a. A resident of public housing or Section 8-assisted housing;
   b. A resident of other public housing projects or Section 8-assisted housing managed by SHA; or A YouthBuild participant

Section 3 Business Concern: A Section 3 business concern is a business that meets at least one of the following criteria, documented within the last six-month period:
1. At least 51 percent owned and controlled by low- or very low-income persons;
2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
3. A business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
This form must be completed and submitted monthly with your monthly invoice.

SHA Contract No.  
Contract Title  

This Report is for the following dates:

Start Date:  
End Date:  

The following hours are for the dates and Contract identified above:

<table>
<thead>
<tr>
<th>Total Hours Worked for all workers:</th>
</tr>
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<tbody>
<tr>
<td><em>In calculating total hours worked for all workers, do NOT include hours worked with respect to any “professional services” as defined in 24 CFR 75.5</em></td>
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<tr>
<th>Total Hours Worked for Targeted Section 3 workers:</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>In calculating total hours worked for Targeted Section 3 Workers, DO include hours worked with respect to any “professional services” as defined in 24 CFR 75.5</em></td>
</tr>
</tbody>
</table>

By submitting this form, the undersigned certifies to SHA (i) it has the full right, title, authority and capacity to execute this document on behalf of the Consultant, (ii) all of the documentation and information submitted with this reporting form is true and correct in all material respects, and (iii) that it maintains, and will provide to SHA upon request, documentation in form and substance required by 24 CFR 75.31 sufficient to ensure that applicable workers meet the definition of a Section 3 worker or Targeted Section 3 worker. The undersigned acknowledges and agrees that a breach of any of certifications (i) – (iii) above will be considered a default under the Contract.

Submitted By:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Date</th>
</tr>
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</table>