

HUD Section 3 Compliance Checklist

Step-by-step Section 3 compliance for HUD-assisted projects · covered
Section 3 workers, or at least 5% of total labor hours by Targeted Section 3 workers

KEY TOPICS: · Covered activities · Targeted workers · Safe harbor benchmarks · Annual reporting

Section 3 of the Housing and Urban Development Act of 1968 requires that HUD-funded

in your grant agreement. Include total labor hours, Section 3 worker hours, and

Determine Coverage:

Section 3 applies to HUD-assisted projects where the amount of HUD financial assistance

Identify Targeted Workers:

Section 3 workers are low- or very low-income persons (below 80% of area median income),

Safe Harbor Benchmarks:

To demonstrate compliance, at least 25% of total labor hours must be performed by

Annual Reporting:

Submit the Section 3 Annual Summary Report (HUD-60002) to HUD by the deadline specified