

CONTRACTING OPPORTUNITIES
FOR YOUR BUSINESS



RHLS SECTION 3 BUSINESS CERTIFICATION PROGRAM

MONTGOMERY COUNTY, PA



Translation services available upon request. Please contact Jack Stucker at 215-572-7300 x106.

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HOW CAN YOU HELP MY SMALL BUSINESS?

This handbook is for small businesses that may be eligible for special opportunities created by the U.S. Department of Housing and Urban Development (HUD). Regional Housing Legal Services (RHLS) and its support corporation, Commonwealth Housing Legal Services (CHLS) help businesses determine whether they qualify for Section 3 contracts and connect eligible businesses with those opportunities.

Most developers and contractors struggle to find Section 3 businesses, so certification and an online listing can significantly increase a business's marketability to developers and contractors trying to meet Section 3 goals.

WHAT IS SECTION 3?

Section 3 is a federal law that creates training, hiring, and contracting opportunities for low-income people. Part of the Housing and Urban Development Act of 1968, it requires agencies, developers, and contractors receiving certain types of funding from HUD to provide economic opportunities “to the greatest extent feasible” to low-income individuals—specifically to residents of housing funded by HUD. Developers and contractors that are subject to Section 3 must award to Section 3 businesses at least:

- » 10% of the dollar value of all construction contracts.
- » 3% of the dollar value of all other contracts.

WHAT IS THE SECTION 3 BUSINESS CERTIFICATION PROGRAM?

The Program collects and reviews information that a small business submits, to determine whether it meets Section 3 criteria. If the business meets the criteria, the Program verifies its eligibility and adds the business to the online directory of Section 3 businesses.







HOW WILL THIS CERTIFICATION HELP MY BUSINESS GROW?

Once certified, your business is listed on the RHLS Section 3 website (<http://section3.rhls.org>), where agencies, developers, and general contractors look to find partners for their projects. Your business would get a contracting preference for HUD-funded contracts.

WHO ADMINISTERS THESE CONTRACTS?

In Montgomery County alone, HUD has made available millions of dollars in funding through Section 3 contracts, via a number of agencies:

- » Montgomery County
- » Montgomery County Housing Authority
- » Lower Merion Township
- » Abington Township
- » Norristown
- » Conshohocken Borough
- » Limerick Township
- » Marlborough Township

These agencies may award a small business a Section 3 contract directly. Alternately, a developer or general contractor may make the selection for a particular project.



WHAT WORK IS ELIGIBLE?

The kind of work that is eligible under Section 3 varies greatly and applies to a wide array of businesses that provide goods and services. These include:

- » Accounting/bookkeeping
- » Architectural/engineering
- » Catering
- » Cleaning services
- » Construction trades
- » Insurance
- » Landscaping
- » Printing
- » Security
- » Trash disposal
- » Trucking

WHAT WORK IS NOT ELIGIBLE?

Supplying goods only—such as building materials—is not included under Section 3, except on a project for which installation is one part of the broader contract. If you are unsure if your business might qualify, contact RHLS for more information.





IS MY BUSINESS ELIGIBLE FOR SECTION 3 CERTIFICATION?

A Montgomery County business qualifies for Section 3 Certification if it meets any **ONE** of the following criteria:

OWNERSHIP: The majority of the business—more than 50%—is owned by low-income individuals who reside in Montgomery County. *See chart below for what defines “low-income.”*

—OR—

EMPLOYEES: 30% or more of the business’s full-time, permanent employees are low-income (or were low-income within three [3] years of the initial date of hire). *See chart below.*

—OR—

SUBCONTRACTING: The business commits to subcontracting 25% or more of the dollar value of its HUD-funded contract to businesses that meet the “ownership” or “employees” criteria listed above.

HUD updates the Section 3 income limits each year. The income limits for Montgomery County in 2015 were:

Household Size	1 person	2 persons	3 persons	4 persons	5 persons	each add'l
Household Income	\$45,450	\$51,950	\$58,450	\$64,900	\$70,100	\$5,200

HOW LONG DOES CERTIFICATION LAST?

In many cases, your Certification will be valid for three years.



HOW CAN I BECOME CERTIFIED?

IT'S FREE!

1. Review the qualifications listed on page 10, to determine your eligibility.
2. Fill out the **Application for Section 3 Business Certification**.
ONLINE: Fill out the application at <http://section3.rhls.org>
BY MAIL: To request a printed application, call Jack Stucker, at (215) 572-7300, ext. 106, or email SEPASection3@rhls.org
3. Include copies of your business's legal documents (articles of incorporation or LLC certificate and operating agreement), as per the application.
4. If you qualify under **OWNERSHIP**, each owner of your business must provide ONE of the following documents:
 - » Public Housing lease(s); or
 - » most recent IRS tax form(s).
5. If you qualify under **EMPLOYEES**, you must provide all of the following documents:
 - » Three months of payroll documentation, showing all of your business's permanent, full-time employees; and
 - » A Section 3 Resident Certification Form (included in the application) for each employee who is low-income (or who was low-income within three years of the initial date of hire)

Upload copies of all documents with your online application, or submit them with your written application by mail to RHLS.

For questions or help filling out the forms:

Jack Stucker
(215) 572-7300 ext. 106
SEPASection3@rhls.org

To mail your application:

Jack Stucker
RHLS
2 South Easton Road
Glenside, PA 19038





ADDITIONAL CERTIFICATION OPPORTUNITIES

In addition to opportunities related to Section 3, your business may qualify for other contracting preferences. The following organizations provide certification services that may help you advance your business.



Minority Business Enterprise (MBE)

National Minority Supplier Development Council, Inc. (NMSDC)

Philadelphia Office

The Bourse

111 South Independence Mall East, Suite 630

Philadelphia, PA 19106

(215) 569-1005

www.nmsdc.org/mbes/mbe-certification

This certification resource is for U.S.-based businesses that are owned, operated, and controlled by ethnic minorities. Certification provides opportunities for contracts related to certain government projects.

Pennsylvania Small Business Self-Certification and Small Diverse Business Verification

Pennsylvania Department of General Services

401 North Street, Room 611

Harrisburg, PA 17120

(717) 783-3119

www.smallbusiness.pa.gov

The Commonwealth provides these certification opportunities to help small and diverse businesses compete with larger, more established firms. Eligible businesses can become certified to compete for contracts set aside by the Commonwealth's Small Business Procurement Initiative (SBPI).





Women Owned Small Business (WOSB) Certification

Women's Business Enterprise National Council (WBENC)
1120 Connecticut Avenue, NW
Suite 1000
Washington, DC 20036
(202) 872-5515
www.wbenc.org/certification

WBENC provides certification services for businesses owned by women. Certification provides these businesses with certain federal contracting preferences.

Women's Business Enterprise Council PA-DE-sNJ (WBEC)
1315 Walnut Street, Suite 1116
Philadelphia, PA 19107
(877) 790-9232
www.wbecouncil.org

WBEC is the local partner for WBENC (see above). WBEC provides certification, training, networking, and related resources.





Economically Disadvantaged Women Owned Small Business (EDWOSB)

U.S. Small Business Administration (SBA)

Parkview Tower

1150 First Avenue, Suite 1001

King of Prussia, PA 19406

(610) 382-3062

www.sba.gov/content/women-owned-small-business-program

Some WOSBs may qualify for additional certification as Economically Disadvantaged, which can provide enhanced contracting preferences.



<http://section3.rhls.org>

8(a) Business Development Program

U.S. Small Business Administration (SBA)
(see page 16 for address and phone)

www.sba.gov/8a

The 8(a) Business Development Program helps small, disadvantaged businesses compete in the marketplace. It provides qualifying businesses with development services, training, and contracting opportunities.

Historically Underutilized Business Zone (HUBZone)

U.S. Small Business Administration (SBA)
(see page 16 for address and phone)

www.sba.gov/hubzone

The HUBZone program helps small businesses in certain urban and rural communities with federal contracting preferences. To determine whether your community may qualify, refer to the map on the HUBZone website.

Veteran Owned Small Business (VOSB) and Service-Disabled Veteran-Owned Small Business (SDVOSB)

U.S. Small Business Administration (SBA)
(see page 16 for address and phone)

www.vetbiz.gov

The U.S. Dept. of Veteran Affairs (VA) Center for Evaluation and Certification (CVE) certifies certain businesses as VOSB and/or SDVOSB. Those that have achieved these certifications are entitled to contracting preferences from the VA.







GENERAL BUSINESS RESOURCES IN MONTGOMERY COUNTY

Several organizations in Montgomery County offer free and low-cost help to start and/or manage your business.



Montgomery County MC2B Initiative

Montgomery County Commerce Department
1430 DeKalb Street, 5th Floor
Norristown, PA 19401
(610) 278-5950
www.montcopa.org/MC2B

The MC2B Initiative provides a wide variety of services for local businesses, including special loans, workforce development initiatives, recruitment services, and in certain cases, reimbursement of some costs for on-the-job training.

U.S. Small Business Administration (SBA) District Office

(see page 16 for address and phone)
www.sba.gov/pa

In addition to certification services, the SBA offers a variety of free services to help you start, market, and manage a business. In certain circumstances the SBA can provide low-cost loans and free business counseling.

Montgomery County Chamber of Commerce

P.O. Box 200
Eagleville, PA 19408
(610) 265-1776
www.montgomerycountychamber.org

A membership organization with an extensive local business network, the Chamber provides publications and sponsors events throughout the county with meetings, speakers, and networking opportunities. Members can qualify for group rate benefits for some services, including health insurance.



MCCC Entrepreneurial Certificate Programs

Montgomery County Community College (MCCC)

Central Campus

340 DeKalb Pike

Blue Bell, PA 19422

(215) 461-1140

www.mc3.edu/academics/areas-of-study/bei/entrepreneurial-studies

MCCC offers an Entrepreneurial Studies concentration that encompasses several certificate programs and courses of study. In many cases, students can apply the certificate coursework towards an associate's or bachelor's degree.



Montgomery County Public Libraries

30 locations throughout the County
(610) 238-0580

www.mclinc.org

The County's public libraries offer low-cost computer classes, including Microsoft Office (Excel, PowerPoint, Word, etc.), management of business files, Internet browsing, and email. In addition the libraries provide access to a wide variety of print and media resources, as well as librarians to help with research.

SCORE Business Counseling and Mentoring

U.S. Small Business Administration (SBA)
(see page 16 for address and phone)

www.montgomerycountypa.score.org

This national organization, supported by the SBA, provides free services to individuals looking to start, market, and/or manage a business. SCORE offers mentoring services from certified, experienced business professionals. Online resources for business owners include sample documents, templates, and planning tools. Montgomery County, PA SCORE also has 5 satellite locations. Check the website to find the location nearest to you.



Notes



Regional Housing Legal Services (RHLS) is a nonprofit law firm with unique expertise in affordable, sustainable housing and its related components—community and economic development, utility matters and preservation of home ownership.

RHLS created the Section 3 Business Certification program to expand economic opportunities in the communities that we serve.

<http://section3.rhls.org>



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