



H. A. W. C.

Housing Authority of Washington County
319 East Antietam Street, 2nd Floor
P. O. Box 2944, Hagerstown, MD 21741-2944
Telephone/TTY: 301-791-3168
Fax: 301-791-2755
www.hawcmd.org or www.facebook.com/hawcmd.org

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When our agency spends public housing operating or capital funds, we try to insure that those expenditures benefit lower income Washington County residents, to the extent feasible. HUD asks our agency to target at least 10% of our contracting activity to firms that qualify as a "Section 3 business concern." We have provided a definition of this term below, and we ask your firm's cooperation with our effort by attempting to determine if your firm fits the definition. Your cooperation will enable us to properly report to HUD on the impact their funding to our agency is having on our community.

HUD is particularly concerned about the impact of federal spending on persons that earn less than 80% of local median income. When the term "low income" or "Section 3 residents" is used, it refers to households where the income is below this 80% mark as shown in the following table:

Household size	80% limit
1	\$40,100
2	\$45,850
3	\$51,600
4	\$57,300
5	\$61,900
6	\$66,500

"Section 3 business concern" as defined in the federal regulations at 24 CFR135.5 means a business concern:

- (1) That is 51 percent or more owned by section 3 residents; or
- (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
- (3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."

In our experience it is most likely that local businesses may fall into the second section of the definition above. We are therefore asking you to self-certify as to whether your firm is a Section 3 business concern. We will be able to give you our order to proceed once you return this form to us.

Firm

Certifying officer Date

To the best of our knowledge, this firm is is not a Section 3 business concern as defined above.

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