



## **Section 3: Economic Opportunities for HUD-assisted Communities**

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*24 CFR Part 75*

*Office of Field Policy and Management*

*Department of Housing and Urban Development*



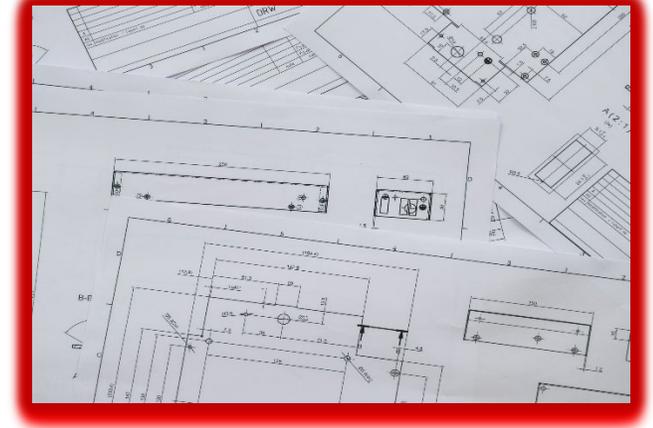
To ensure that the **employment and other economic opportunities** generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons



**JOBS**



**TRAINING**



**CONTRACTS**

administration,  
management,  
clerical  
support,  
construction:  
accounting,  
architecture,  
appliance  
repair,  
bookkeeping,  
bricklaying,  
carpentry,  
carpet  
installation,  
catering,  
cement/  
masonry,  
computer/  
information,  
demolition,  
drywall,  
electrical,  
elevator  
construction,  
engineering,  
fencing,  
florists,  
Heating/HVAC,  
iron works,  
janitorial,  
landscaping,  
lawncare,  
legal,  
machine  
operation,  
maintenance,  
manufacturing,  
marketing,  
painting,  
payroll,  
photography,  
plastering,  
plumbing,  
printing,  
purchasing,  
research,  
surveying,  
tile  
setting,  
transportation,  
welding,  
word  
processing

# Qualitative Reporting

If the grantee's reporting indicates that the grantee has not met the Section 3 benchmark, the grantee **must** report on the qualitative nature of its Section 3 compliance activities and those of its contractors and subcontractors.

1. Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
2. Provided training or apprenticeship opportunities.
3. Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
4. Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
5. Held one or more job fairs.
6. Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
7. Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
8. Assisted Section 3 workers to obtain financial literacy training and/or coaching.
9. Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
10. Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
11. Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
12. Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
13. Promoted use of business registries designed to create opportunities for small businesses.
14. Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

# Section 3 Applicability

## Public Housing:

Grant based – applies to all activities funded with the following funds regardless of amount funded:

- Operating Funds
- Capital Funds
- Development/ Modernization Funds
- RAD – Predevelopment
- Some NOFOs

**NOTE:** Does not apply to HCV only program funding or RAD post-conversion



## Housing & Community Development:

Project based – applies to only those activities that meet the funding threshold (Section 3 Project\*):

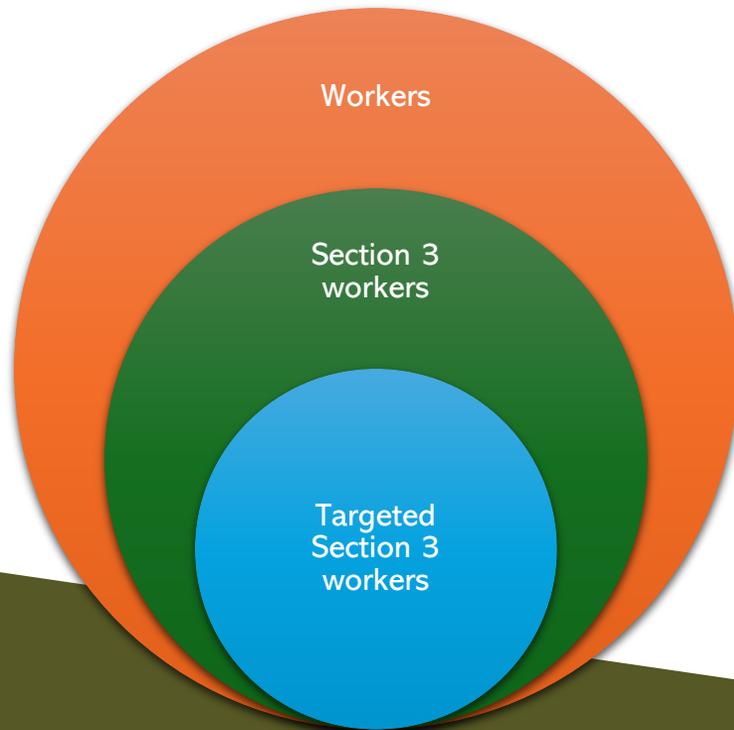
- CPD Grants
- CPF Grants
- Lead Grants
- 202/811 Grants
- Choice Neighborhoods

**NOTE:** A Section 3 Project is a housing rehabilitation, housing construction, and other public construction project assisted under HUD programs that provide Housing and Community Development financial assistance when the total amount of HCD assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from a Lead Hazard Control and Healthy Homes program.

# PHA Benchmark Goals

## *Labor Hour Benchmarks for Public Housing Financial Assistance*

$$\frac{\text{Section 3 labor hours}}{\text{Total labor hours}} = 25\% \text{ AND } \frac{\text{Targeted Section 3 labor hours}}{\text{Total labor hours}} = 5\%$$



A **labor hour** is:



Hours worked by all workers employed with public housing financial assistance in a PHA's fiscal year



A **targeted Section 3 worker** is a Section 3 worker who is:



Employed by a Section 3 Business concern

OR

A resident of public housing or Section 8 assisted housing

OR

A resident of another project managed by the PHA

OR

A current YouthBuild participant



# Trainings, Job Aids and Sample Forms

## HUD Exchange Resources



Training, POCs



Resource HUB, Guidebook and FAQ



Section 3 Job Aid for Contractors and Subcontractors



Section 3 Sample Certification Forms



[Technical Assistance Request Form](#)



List serve sign up: HUD Exchange [Subscribe to HUD Exchange Mailing Lists - HUD Exchange](#)

# Section 3 Partnerships

## National Association of State Workforce Agencies

- [State Labor Exchange](#) (Keywords: HUD Section 3 Workers encouraged to apply)

## Department of Labor

- [Apprenticeships](#)
- [JobCorps](#)
- [YouthBuild](#)
- [Career One Stop](#)

## Small Business Administration

- [Dynamic Small Business Search](#) (Keyword: HUD Section 3 Business Concern)
- Entrepreneur resources for Section 3 businesses

## National Association of Workforce Boards

- Career Support Services

# What is Technical Assistance?

**Goal:** *Build  
grantee capacity*

## Technical Assistance Activities include:

- Needs Assessments
  - TA tool that helps determine the nature and scope of TA needed by HUD customers.
- Direct TA and Capacity Building Engagements
  - TA that involves working on-site or remotely to assist HUD customers. This may include Ask-A-Question Help Desks
- Develop and Maintain Tools and Products
  - TA tools and techniques- including online resources- to help HUD customers understand new and existing program laws, regulations, policies, and other items.
- Self-Directed and Group Learning
  - TA that increases grantee capacity by employing various techniques to close skill and other gaps.
- Knowledge Management
  - TA that includes the development, maintenance and operation and hosting of websites to support the TA, training, or capacity needs of HUD customers

[HUD Exchange](#)

# How to Request TA

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## Request Program Assistance

### What is HUD Technical Assistance?

HUD's technical assistance (TA) is designed to provide resources, tools, and support for recipients of HUD funding, such as state and local government grantees, public housing authorities, tribes and tribally-designated housing entities, Continuums of Care, and nonprofits.

HUD's technical assistance resources include:

- Information and "how to guides" through online resources, guidebooks, FAQs, and other information
- Training and knowledge-building through online courses and webinars
- Responses to basic program, policy and system questions via the Ask A Question (AAQ) virtual help desk
- In-depth, program assistance and capacity building to improve the design and delivery of programs and services funded by HUD

This request form is for in-depth, one-on-one program assistance and capacity building. For other TA needs, grantees should visit the program topics page, the resource library, or the AAQ helpdesk.

### What is In-Depth Program Assistance?

In-depth program assistance involves coordination with HUD Headquarters and Field Office staff and TA consultants over a period of weeks or months. It may be one-on-one assistance or assistance delivered to a cohort of grantees.

***In-Depth Program Assistance does not include:***

- Program or system training. Browse the [Programs & Related Topics](#) pages and [Trainings](#) pages for these resources.
- Clarification of HUD program rules and regulations. Please visit the [AAQ helpdesk](#) to submit your question.
- Information for individuals looking for homelessness, housing or rental assistance. Visit the [Need Housing Assistance?](#) page for hotlines and service locators that help you find a range of local services, including housing, food, health, and safety.

# Key Takeaways



Section 3 prioritizes the hiring of HUD assisted housing recipients and low-income individuals (\*must meet skills requirements)



HUDx serves as a Resource HUB for all Section 3 stakeholders (trainings, job aids, sample forms, local resources, etc)



Apprenticeship programs can build up worker skills for Section 3 work (JobCorps, YouthBuild, Community Action Partnerships, community colleges, etc.)



Workers must connect with HUD grantees, developers, contractors, Section 3 businesses (SBA), Career Services (NAWB), etc.



Grantees can apply for TA to enhance their capacity around Section 3 efforts



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