Introduction to the Section 3 Program

A 1968 Housing and Urban Development Act
Today’s Presentation

• Section 3 Overview
• Certification
  – Residents
  – Businesses
• Current Projects
• Future Projects
• How to Contact Section 3
Section 3 In a Nutshell

• A provision of the Housing and Urban Development Act of 1968.

• Intended to ensure that opportunities for:
  – Training
  – Employment
  – Contracting

Are generated for low to very-low income residents or businesses that reside within the City of Houston. Also known as Section 3 Residents and Businesses.
Section 3 Covered Projects

• The construction or rehabilitation of housing (including reduction of lead-based paint hazards)
  – Multi Family
  – Single Family

• Other public construction such as:
  – Community Centers
  – Public Parks
  – Street Repair
  – Sewage Line Repair or Installation
  – Updates to Building Facades, etc.
Section 3 vs. Section 8

• **Section 3**
  – Offers employment/contracting opportunities via federally-funded construction projects to low-income residents and local businesses.

• **Section 8**
  – Offers housing assistance to low-income residents.
Section 3 Residents

1. A Public Housing Resident; or

2. A Low or Very Low-income person residing in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended.
Section 3 Residents

Misconception:
Residents do not hold qualified skills or are incapable of working.

• **300+ Residents certified** with the skills that range from **clerical to construction**.

• Certification is Fast & Free; Application on Website
Section 3 Businesses

• Qualify through 1 of 3 categories

• Certification is Fast & Free; Application available at table or on our website.

• 180+ Certified Businesses
  – Construction to Professional Services.
• 51% or more ownership by a Section 3 Resident or qualify as a low to very-low income resident.

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<tr>
<th>Persons in Household</th>
<th>30% of Median Extremely Low-Income</th>
<th>50% of Median Very Low-Income</th>
<th>80% of Median Low Income</th>
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• 30% of full-time employees are Section 3 Residents, or qualify as a low to very-low income resident.

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Category 3

- Agree to subcontract 25% of future contracts to Section 3 Businesses or businesses that qualify for Category 1 or 2.
Certification Completed...What Now?

• ONLINE DATABASE

• NETWORKING

• OPPORTUNITY ANNOUNCEMENTS
Current Projects

• 10 Active Multi-Family Projects
  – Over **1.8 Million Dollars** awarded to Section 3 Businesses
    • Construction Trades
      – 10% of Project Amount
    • Professional Services
      – 3% of Professional Services Budget
Future Projects

• Round 2 Disaster Relief Funds = $152 Million

• A large portion of funds allocated to:
  – Single Family
  – Multi-Family

• Projects are subject to Section 3
Section 3 Contacts

www.HoustonTX.gov/Housing/Sec3.html

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