

HOPE VI PROGRAM

Magnolia Gardens
Beaumont Housing Authority

Community Meeting

Meeting #2

May 24, 2006
6:00 PM

SECTION 3

What is Section 3?

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of HUD financial assistance, including HOPE VI, to the greatest extent possible, provide job training, employment, and contracting opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods.

Who are Section 3 Residents?

Section 3 residents are:

- Public Housing residents OR
- Persons who live in the area where the HOPE VI is located and who have a household income that falls below the HUD's income limits
 - Low-income is defined as 80% of Area Median Income or \$40,480
 - Very low-income is defined as 50% of Area Median Income or \$25,300

What is a Section 3 Business?

A business that:

- Is 51% or more owned by Section 3 residents;
- Employs Section 3 residents for at least 30% of its full-time, permanent staff; OR
- Provides evidence of a commitment to subcontract to Section 3 businesses, 25% or more of the dollar amount of the awarded contract.

What types of economic opportunities are available under Section 3?

- Job training
- Employment
- Contracts

Any employment resulting from expenditure of HUD financial assistance (including administration, management, clerical support, and construction) is subject to compliance with Section 3.

What our hiring goal under Section 3?

The typical goal is to have at least 30% of the new people hired as a result of the HUD-assisted project be Section 3 employees.

Examples of opportunities include:

Accounting
Bookkeeping
Bricklaying
Carpentry

Computer
Demolition
Drywall
Electrical

Janitorial
Landscaping
Painting
Payroll

Plastering
Plumbing
Printing
Security