

SECTION 3 PRESENTATION

The overall purpose of Section 3 is to facilitate contract and employment opportunities for low and very low-income workers, specifically those that live close to the project location. To report on these efforts, this presentation details new reporting requirements and other efforts to increase Section 3 participation in the CDBG program.

HUD instituted new Section 3 policy requirements, effective November 30, 2020.

On July 1, 2021, TDA implemented the final rule for all existing and future CDBG grants. As part of these requirements, each grant recipient is required to review and discuss a Section 3 Presentation during a meeting of its governing body.

The additional pages dive deeper into Section 3 concepts, definitions for Section 3 businesses and workers, contractor outreach recommendations for new hires, and recordkeeping requirements pertaining to the grant.

Going forward, the grant administrator (Public Management, Inc) will coordinate with all parties to:

- Monitor public postings and contractor requirements pertaining to Section 3 provisions
- Track the number of hours of anyone who works on the grant project, including
 - Local government employees (i.e., City secretary, City Administrator, Public Works, Judge, WSC Operators, etc)
 - Construction contractor's laborers and staff
 - Grant administration employees.
 - *Engineers, surveyors, and other professionals are exempt for hourly reporting requirements

Please reach out to your grant administrator with any questions on these changes.

Section 3 Policy Updates - Effective July 1, 2021 Presentation

The City of Glen Rose recently received a Grant Contract #CDV23-0133, for the amount of \$500,000 funded through the Community Development Block Grant, via the U.S. Department of Housing and Urban Development and Texas Department of Agriculture, for the purpose of street reconstruction.

SECTION 3 CONCEPTS

As a condition of funding, the City of Glen Rose must comply with Section 3 of the Housing and Urban Development Act of 1968. To the greatest extent feasible, Grant Recipients must direct economic opportunities generated by CDBG funds to low- and very low-income persons.

In part, this means ensuring that:

- Section 3 Businesses have the information to submit a bid or proposal for the project; and
- Section 3 Workers have information about any available job opportunities related to the project.

The purpose of this presentation is to discuss the Section 3 goals of the CDBG program and facilitate employment opportunities for Section 3 workers.

The awarded construction contractor may have job opportunities for local residents. If they do need to make new hires for this job, they will post job listings on WorkInTexas.com.

SECTION 3 BUSINESSES

A company may qualify as a Section 3 Business if:

- it is owned by low-income persons;
- it is owned by Section 8-Assisted housing residents; or
- 75% of all labor hours for the business in a 3 month period are performed by Section 3 Workers

Register at:

- HUD's Section 3 website: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>
- Any Local/Regional registry for disadvantaged businesses

This project is expected to include the following contracting opportunities:

- Grant Administration services (previously selected)
- Engineering Services (previously selected)
- Prime Contractor for street improvements
 - Subcontractors

SECTION 3 WORKERS

You may qualify as a Section 3 Worker if:

- Your annual income is below the county threshold for your family size:
- You are a current or recent Youthbuild participant

Register your information and search for opportunities at:

- WorkInTexas.gov
- HUD's Section 3 Opportunity Portal <https://hudapps.hud.gov/OpportunityPortal/>

- Local/regional job board

TARGETED SECTION 3 WORKERS

Section 3 Workers that reside near the project location also qualify as Targeted Section 3 Workers. For this project, that service area is defined by the attached map:

[Service Area Map attached]

RECORDKEEPING

The City of Glen Rose is required to track ALL hours worked on the project based on the three categories of workers (All, Section, 3 and Targeted Section 3). This requirement applies to all City of Glen Rose staff that works on this grant, including the contracted grant administrator, and all employees of the prime and subcontractors. Engineers, surveyors, and similar professions are exempt from this time tracking requirement.

This will require collection of certain income information.



For More Info...

TxCDBG Policy Issuance 20-01

[REVISED Policy Issuance 20-01 Section 3 v1.pdf \(texasagriculture.gov\)](#)

24 CFR Part 75

[Electronic Code of Federal Regulations \(eCFR\)](#)

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Section 3 Service Area Map

Glen Rose CDV23-0133

About

Neighborhood Service Area Definition Tool

This tool allows Housing and Community Development Section 3 Recipients to identify Targeted Section 3 Workers in accordance with 24 C.F.R. § 75.119.

Targeted Section 3 Workers are Section 3 Workers located within a one-mile radius of a Section 3 Project. If fewer than 5,000 people live within a one-mile radius of the project, then the radius is expanded until it is sufficient block groups are selected to encompass a population of 5,000 or more according to the most recent census.

Start the search by typing in the address of the Section 3 Project, the map will auto zoom to the selected address, highlight all block groups that are included - *in full or in part* - within the default 1 mile radius, and provide a sum of the populations all highlighted block groups. Use the slider bar to expand the radius of the circle until the block groups total a population 5,000 or higher. Population total shows green when you have reached the population threshold. Population numbers are from ESRI's U.S. Census Block Group Layer.

To create a report or record of the block groups included click the up arrow on the bottom of the screen, select the Options dropdown, then click Export all to CSV. This can then be filed with your Section 3 Records.

Ref: 24 C.F.R. Part 75

Section 3 Neighborhood Service Area

Search for an address or locate on map

Show results within 1 Miles

USA Census Block Group Boundaries

Block Group 484250002002 in TX	0 mi
Block Group 484250001022 in TX	0.33 mi

Population

✓ 7,637

Population of Census Block Groups Within or Intersected by Radius

Esri Community Maps Contributors, Texas Parks & Wildlife, CONANP, Esri, TomTom, Garmin, S...