

Section 3 Presentation to City of Mount Vernon



The City recently received the following grant award:

- Grant Contract No. CDV21-0099
- Award Amount: \$350,000.00
- Project: sewer and water line improvements



The grant is funded through the
Community Development Block Grant, via:

- U.S. Department of Housing and Urban
Development

and

- Texas Department of Agriculture



Section 3 Concepts

- As a condition of funding, the City 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.



Section 3 Concepts

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.

For precise definitions, see TxCDBG Policy Issuance 20-01



Section 3 Business

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>



Section 3 Business

This project is expected to include the following contracting opportunities:

- Grant Administration services (previously selected)
- Engineering Services (previously selected)
- Prime Contractor for sewer and water line replacement
- Subcontractors TBD



Section 3 Worker

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/>



Recordkeeping

The City will track all hours worked on the project based on the three categories of workers.

This will require collection of certain income information.





For More Information

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 \(eCFR\)](#)

City of Mount Vernon