

A1024 Section 3 Presentation



The city of Port Lavaca recently received the following grant award:

- Grant Contract No. CDV23-0209
- Award Amount: \$500,000
- Project: Wastewater 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 of Port Lavaca 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:

- GrantWorks, Inc.-Grant Administration services
- Urban Engineering-Engineering Services
- Lester Contracting, Inc.-Construction Services



Section 3 Worker

You may qualify as a Section 3 Worker if:

- Your annual income is below the county threshold for your family size:

FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income Click for More Detail	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Calhoun County, TX	\$91,600	Very Low (50%) Income Limits (\$) Click for More Detail	32,100	36,650	41,250	45,800	49,500	53,150	56,800	60,500
		Extremely Low Income Limits (\$)* Click for More Detail	19,250	22,000	26,650	32,150	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$) Click for More Detail	51,350	58,650	66,000	73,300	79,200	85,050	90,900	96,800

- You are a current or recent Youthbuild participant

Register your information and search for opportunities at:

- WorkInTexas.com



Targeted Section 3 Worker

Section 3 Workers that reside near the project location may also qualify as Targeted Section 3 Workers.

For this project, that service area is defined by this map:





Recordkeeping

The City of Port Lavaca 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 \(eCFR\)](#)

Jack Whitlow, Mayor