



**Homes and
Community Renewal**

Section 3: Making the Most Impact

December 18, 2019

Section 3: Overview

Section 3 Policy

Under Section 3, wherever HUD financial assistance is expended for housing or community development, to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area.



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Section 3 Triggers

- ✓ Housing Construction & Rehab, including lead-based paint abatement
- ✓ Public Construction
- ✓ Awards of \$200,000+ of HUD funds (e.g. HOME, CDBG, fedHTF)
 - Contracts/sub-contracts of \$100,000+
- ✓ Reminder: If Section 3 is triggered, Section 3 requirements apply to the *entire project*, not just the portion covered by the HUD funds.

Section 3 Hiring & Contracting Goals

To the greatest extent feasible,

- **30%** of new hires → Section 3 Residents;
- **10%** of construction contracts → Section 3 Businesses;
- **3%** non-construction contracts → Section 3 Businesses.



New Hires – 30%

New Hires – Greatest Extent Feasible

- **Section 3 New Hires Can Be:**

- ✓ Low-income individuals (making 80% or less of the area median income)
 - ✓ NYC = \$83,350 (family of 4)
 - ✓ Buffalo = \$61,500 (family of 4)
 - ✓ Check more @ <https://www.huduser.gov/portal/datasets/il.html>
- ✓ Residents of local public housing
- ✓ Local YouthBuild participants
- ✓ Section 8 voucher holders
- ✓ Recipients of TANF, Food Stamps, Welfare, Medicaid



New Hires – Greatest Extent Feasible

“Greatest Extent Feasible” Can Look Like:

- ✓ Work with Target Organizations
- ✓ Referral Arrangements
- ✓ Take applications/interview at target organizations
- ✓ Post where people will see – lobby, elevators, entranceways
- ✓ Specify Section 3/Low-income preference in postings
- ✓ Digital, mailings, physical posting, including @ job site
- ✓ Advertising in community papers, local media, job boards
- ✓ New York State Job Bank (<https://newyork.usnlx.com/>),
- ✓ NYS Storm Recovery Local Workforce Section 3 specific page (<https://nystormrecoveryopps.ny.gov/>)
- ✓ Offer Apprenticeships & training positions
- ✓ Hire Section 3 coordinator
- ✓ Use S3 Self-certification forms in HR packet



New Hires – Greatest Extent Feasible

Target Organization Examples:

- ✓ YouthBuild Programs
- ✓ Local Public/Subsidized Housing
 - ✓ Resident councils
 - ✓ Management agencies
- ✓ Section 8 housing/agency
- ✓ Welfare/job centers
- ✓ Workforce development agencies
- ✓ Probation/parole/reentry agencies
- ✓ Homeless services orgs
- ✓ Faith-based orgs
- ✓ Refugee/immigrant services

- ✓ Local elected officials
- ✓ Local community boards
- ✓ Community centers
- ✓ AmeriCorps, UnitedWay
- ✓ OTHERS/Suggestions?

See <https://hcr.ny.gov/section-3-compliance#creative-partnerships>



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Contracts
Construction – 10%
Non-construction – 3%

Contracting – Greatest Extent Feasible

“Section 3 Business Concerns” Are:

- 51%+ owned by Section 3 Residents, or
- 30%+ of the business’ full-time employees are Section 3 Residents *now or have been in the last 3 years, or*
- Provides evidence of a commitment to subcontract more than 25% of the dollar award of all subcontracts to Section 3 business concerns that meet one of these qualifications.

Self-certification through HUD website -

<https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>



Contracting – Greatest Extent Feasible

“Greatest Extent Feasible” Can Look Like:

- ✓ Search HUD Section 3 Registry
- ✓ Divide work into smaller portions
- ✓ HUD Section 3 Industry Events
- ✓ Local MWBE &/or Service Disabled Veteran-Owned Businesses that might also be Section 3 Businesses
- ✓ Specify Section 3 preference
- ✓ Weigh Section 3 in bidding procedures/procurement
- ✓ Work and/or post opportunities with Target Organizations
- ✓ GOSR Section 3 portal: <https://nystormrecoveryopps.ny.gov/>
- ✓ Discuss S3 opps @ pre-bid meetings
- ✓ Digital, mailing and physical posting, including @ job site
- ✓ Trade papers, websites, social media



Contracting – Greatest Extent Feasible

Target Organization Examples:

- ✓ Local Public/Subsidized Housing
- ✓ Small Business Administration
- ✓ Chamber of Commerce
- ✓ Community Development Corporation
- ✓ Local trade associations
- ✓ Local community organizations
- ✓ OTHERS/Suggestions?

See <https://hcr.ny.gov/section-3-compliance#creative-partnerships>



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GOSR Portal

Governors Office of Storm Recovery (GOSR) Portal

- HCR has also partnered with GOSR to provide access to the GOSR Workforce Opportunities Portal.
 - Contractors/awardees: Create a profile & post opportunities
 - Job & Contract Seekers: Create a profile and search for opportunities
- GOSR portal: <https://nystormrecoveryopps.ny.gov/>



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Governors Office of Storm Recovery (GOSR) Portal

- Create Profile – Use “HCR” Prefix to Business Name When Registering
- Contractors: “Submit An Opportunity”
- Job Seekers: Search “Work Opportunities”
- Contract Seekers: Search “Regional Work Opportunities” and “Additional Work Opportunities”

The screenshot displays the GOSR Portal interface, divided into two main sections: 'INDIVIDUALS' and 'SUBRECIPIENTS/ CONTRACTORS'. The 'INDIVIDUALS' section includes a description of Section 3 individuals and a menu with options: 'CREATE A PROFILE', 'WORK OPPORTUNITIES', 'TRAINING OPPORTUNITIES', and 'UPDATES AND ALERTS'. The 'SUBRECIPIENTS/ CONTRACTORS' section includes a description of contractors and a menu with options: 'CREATE A PROFILE', 'REGIONAL WORK OPPORTUNITIES', 'ADDITIONAL WORK OPPORTUNITIES', 'SUBMIT AN OPPORTUNITY', and 'UPDATES AND ALERTS'. Red circles highlight the 'WORK OPPORTUNITIES' and 'SUBMIT AN OPPORTUNITY' options in their respective menus.



Making the Most out of Reporting

Reporting - Requirements

- Mid- and Year-end Reporting Cycle
- Document, document, document!
- Section 3 Requirements Flow Down → Reporting Flows Up!
 - Recipients of funds/loans from HCR/OCR will submit one form and *report all Section 3 activity for their contractors/sub-awardees.*

Example: Form asks for all New Hires. Enter in all new hiring done by you AND contractors/subs that are also subject to Section 3.

- If you write “0”, you are saying that neither *you nor any of contractors/subcontractors* that are subject to Section 3 did any hiring. 😞

Reminder: Contractors/subcontractors with contracts \$100,000+ are also subject to Section 3.



Contact

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<https://hcr.ny.gov/section-3-compliance>



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Resources and Training

- More Section 3 training to come –including one on how to fill the Section 3 Reporting Form
- Email me to be added to our Section 3 distribution list – if you registered for this webex, you already are 😊
- Many resources available at: <https://hcr.ny.gov/section-3-compliance>
- We offer 1 on 1 technical assistance on creating a successful Section 3 program



THANK YOU