

Galveston County Round 2.2

Hurricane Ike CDBG-DR

Section 3

722 21st Street
6th Floor-Housing Department
Galveston, Texas 77550

Section 3 Introduction

- Section 3 of the Housing and Urban Development Act of 1968 is HUD's legislative directive for providing preference to low and very low income residents of the local community, and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.

Recipient Responsibilities

- The Galveston County Round 2.2 Hurricane Ike CDBG-DR will make every effort to ensure that contractors and subcontractors performing work on Section 3 funded activities are in compliance with the Section 3 requirements as well as meeting or exceeding the numerical goals as outlined in the HUD Act.

The minimum numerical goals are:

- 30 percent of total of new hires as Section 3 Residents (i.e. 1 out of 3 new hires);
- 10 percent of all awarded construction contracts to Section 3 Business Concerns;
- 3 percent of all awarded non-construction contracts to Section 3 Business Concerns

Outreach Efforts

- Galveston County Round 2.2 Hurricane Ike CDBG-DR will direct Section 3 residents to Workforce Solutions (Texas City) via internet postings on the Galveston County website, Texas City Housing Authority and posting flyers in designated areas.
- Galveston County Round 2.2 Hurricane Ike CDBG-DR will relay any updated Section 3 related information to contractors and staff via internet postings.

Outreach Efforts Continued...

- Workforce Solutions is the public workforce system for the Houston-Galveston region, linking employers to qualified candidates through the use of the WorkInTexas.com statewide database all at no cost.

Workforce Solutions services:

- ✓ Create, customize and post your job openings
- ✓ Schedule and promote employer hiring events at career offices
- ✓ Coordinate special job fairs for mass hires
- ✓ Provide labor market information such as local wage rates for various positions

For More Information Contact:

Laura Baumgartner, Business consultant
Workforce Solutions
3549 Palmer Highway
Texas City, TX 77590
409-359-0086
Laura.baumgartner@wrksolutions.com

For More Information Contact:

Angela Cantu
Galveston County Housing Department
Section 3 Coordinator
(409) 770-5434
angela.cantu@co.galveston.tx.us

Benjamin Davis
Texas City Housing Authority
Housing Programs Coordinator
(409) 945-4011
bdavis@tchousing.net

What is a Section 3 Business?

A section 3 business is one:

That is owned by Section 3 residents

Employs Section 3 residents or;

Subcontractors with businesses that provide opportunities to low to very low income persons.

What is a Section 3 Business?

Continued...

- A contractor shall provide a Section 3 resident with proper documentation. The contractor shall submit the proper documentation to the Section 3 Coordinator to verify and approve. The Galveston County Round 2.2 Hurricane Ike CDBG-DR will maintain a list of Section 3 Residents and Business Concerns for current and/or future Section 3 opportunities.

Certification for Business Concerns



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

CERTIFICATION FOR BUSINESS CONCERNS Seeking Section 3 Preference in Contracting and Demonstration of Capability

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____ Contract Number: _____ Date: _____

CONTRACTOR INFORMATION

Name of Business _____

Address of Business _____

Type of Business: Corporation Partnership Non-Profit
 Sole Proprietorship Joint Venture Consortium

Attach the following documentation as evidence of Section 3 eligible status:
(Definition of "Section 3 Business Concern" in 24 CFR 135 describes the three alternative qualifications.)

For business claiming status as a Section 3 resident-owned enterprise:

- Copy of resident lease
 Copy of evidence of participation in a public assistance program
 Copy of receipt of public assistance
 Other evidence

For business entity as applicable:

- Copy of Articles of Incorporation
 Assumed Business Name Certificate
 List of owners/stockholders and % ownership of each appointed officers
 Organization chart with names and titles and brief function statement
 Certificate of Good Standing
 Partnership Agreement
 Corporation Annual Report
 Latest Board minutes
 Additional documentation

For business entity claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business(es):

- List of subcontracted Section 3 business(es) and subcontract amount

For business claiming Section 3 status, by claiming at least 30 percent of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

- List of all current full-time employees
 PHA/IHA Residential lease less than 3 years from day of employment
 List of employees claiming Section 3 status
 Other evidence of Section 3 status less than 3 years from date of employment

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- Current financial statement
 List of owned equipment
 List of all contracts for the past two years
 Statement of ability to comply with public policy

Authorized Name and Signature _____

Date _____ (Corporate Seal)

Attested By: _____

What are Section 3 Residents?

- Residents of Public Housing/Housing Choice Voucher Program
- Persons with disabilities
- Participants in Youth-build programs (if applicable)
- Low to very low income persons who live in the area where a HUD assisted project is located.

Section 3 Resident Employment Opportunity Form



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

**SECTION 3
RESIDENT EMPLOYMENT OPPORTUNITY DATA
ELIGIBILITY FOR PREFERENCE**

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____ Contract Number: _____ Date: _____

ELIGIBILITY FOR PREFERENCE

A Section 3 Resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the Subrecipient, Grantee, Contractor or Subcontractor, if requested, that the person is a Section 3 Resident, as defined in Section CFR 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program.)

**Section 3 Resident Certification
for Worker Seeking Preference in Training
and Employment**

RESIDENT COMPLETES THIS SECTION:

I, _____, am a legal resident of the _____ and meet the income eligibility guidelines for a low- or very-low-income person as published on HUD'S income limits www.huduser.org/portal/datasets/il.html and documented on the reverse side of this form.

My permanent address is: _____

I have attached the following documentation as evidence of my status:

- Copy of Lease
- Copy of receipt of public assistance
- Copy of Evidence of participation in a public assistance program
- Other Evidence

Resident Signature: _____ Date: _____
Print Name: _____

SECTION 3 INCOME LIMITS

All residents of public housing developments of the Housing Authority of _____

Qualify as Section 3 Residents.
Alternatively, individuals residing in the City of _____ or County of _____

Who meet the income limits set forth below, can also qualify for Section 3 status.
A picture identification card and proof that illustrates applicant is a current resident of the subject area.

HUD updates area median income (AMI) annually and income limits vary by county. To find the latest income limits visit HUD's website: www.huduser.org/portal/datasets/il.html

Eligibility Guideline

Number in Household	Very Low Income (50% AMI)	Low Income (80%)
1 Individual	_____	_____
2 Individuals	_____	_____
3 Individuals	_____	_____
4 Individuals	_____	_____
5 Individuals	_____	_____
6 Individuals	_____	_____
7 Individuals	_____	_____
8 Individuals	_____	_____

Signature Field: _____ Date: _____

Print Name: _____

Galveston County Income Limits 2013

Individuals that reside in Galveston County in which the Section 3 assistance is expended and whose income do not exceed the local HUD income limits.

Low (80%) Income Limits:

1	2	3	4	5	6	7	8
<u>Person</u>							
\$37,100	\$42,400	\$47,700	\$52,950	\$57,200	\$61,450	\$65,700	\$69,900

What types of Economic Opportunities are available under Section 3?

- ✓ Jobs and Employment Opportunities
- ✓ Training and Educational Opportunities
- ✓ Contracts and Business Opportunities

HUD Compliance and Monitoring

- The Section 3 Coordinator will analyze and evaluate the contractor's compliance with requirements and obligations set forth in the contract. In the event that a review reveals a contractor has not complied with Section 3 requirements, the Galveston County Round 2.2 Hurricane Ike CDBG-DR will undertake efforts to help the contractor achieve compliance.

Contractor Certification of Efforts to Fully Comply Form



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

Grantee/Subrecipient:
Include this document in all applicable bid packets.

Contractor Certification of Efforts to Fully Comply with Employment and Training Provisions of Section 3

Economic Opportunities for Low and Very Low-Income Persons

THE BIDDER REPRESENTS AND CERTIFIES AS PART OF ITS BID/OFFER THAT IT:

- Is a Section 3 Business Concern. A Section 3 Business Concern means a business concern:
 1. That is 51% or more owned by Section 3 Resident(s); or
 2. Whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 Residents, or
 3. That provides evidence of a commitment to subcontract in excess of 25% of the dollar value of all subcontracts to be awarded to Section 3 Business Concerns, that meet the qualifications set forth in paragraphs 1 or 2 herein.

- Is NOT a Section 3 Business Concern, but who has and will continue to seek compliance with Section 3 by certifying the following efforts to be undertaken.

EFFORTS TO AWARD SUBCONTRACTOR TO SECTION 3 CONCERNS (Check ALL that apply)

- By contacting business assistance agencies, minority contractors associations and community organizations to inform them of the contracting opportunities and requesting their assistance in identifying Section 3 businesses which may solicit bids for a portion of the work.
- By advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas of the applicable development(s) owned and managed by the Housing Authority.
- By providing written notice to all known Section 3 Business Concerns of contracting opportunities. This notice should be in sufficient time to allow the Section 3 Business Concerns to respond to bid invitations.
- By following up with Section 3 Business Concerns that have expressed interest in the contracting opportunities.
- By coordinating meetings at which Section 3 Business Concerns could be informed of specific elements of the work for which subcontract bids are being sought.
- By conducting workshops on contracting procedures and specific contracting opportunities in a timely manner so that Section 3 Business Concerns can take advantage of contracting opportunities.
- By advising Section 3 Business Concerns as to where to seek assistance to overcome barriers such as inability to obtain bonding, lines of credit, financing, or insurance and aiding Section 3 Businesses in qualifying for such bonding, financing, insurance, etc....
- Where appropriate, by breaking out contract work into economically feasible units to facilitate participation by Section 3 businesses.
- By developing and using a list of eligible Section 3 Business Concerns.
- By actively supporting and undertaking joint ventures with Section 3 Businesses.

EFFORTS TO PROVIDE TRAINING AND EMPLOYMENT TO SECTION 3 RESIDENTS

- By entering into "first source" hiring agreements with organizations representing Section 3 Residents.
- By establishing training programs, which are consistent with the requirements of the Department of Labor, specifically for Section 3 Residents in the building trades.
- By advertising employment and training positions to dwelling units occupied by Category 1 and 2 residents.
- By contacting resident councils and other resident organizations in the affected housing development to request assistance in notifying residents of the training and employment positions to be filled.
- By arranging interviews and conducting interviews on the job site.
- By undertaking such continued job training efforts as may be necessary to ensure the continued employment of Section 3 Residents previously hired for employment opportunities.
- By posting job vacancies in Work-In-Texas or with my local Workforce Solutions Center.

Contractor Name/Business Name: Date:

Authorized Representative Name:

Signature:

NEW HIRES SECTION 3 MONTHLY COMPLIANCE REPORT



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

**NEW HIRES SECTION 3
MONTHLY COMPLIANCE REPORT**

Reporting Month:

Economic Opportunities for Low and Very Low-Income Persons

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting. GC is also required to provide this form to any subcontractor firms that they anticipate hiring for this project.

CONTRACTOR INFORMATION

Name of Business:

Address of Business:

Authorized Representative for this contract:

Authorized Signatory:

ADDITIONALLY, PLEASE REVIEW AND COMPLY WITH STEPS 1 - 3 BELOW:

1. You must **sign and date** this form for the each applicable reporting month in connection with awarded project and deliver to:

2. When you **hire** a Section 3 resident in connection with this project, you must also complete this form and submit it to the Section 3 Coordinator identified above. Even if there were no **new hires** this form **must be completed and submitted to the Section 3 Coordinator identified above.**

I have not hired any new employees during the reporting Month specified.

I have hired Section 3 employees and/or non-Section 3 employees during the reporting month shown here.

The following is a list of the new hires and the trades:

	New Hire Name	Job Category/Trade	Full-time? Yes or No
1.	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>

I have taken one or more of the following recruitment steps to hire a Section 3 Resident with the highest training and employment priority ranking. **Provide a brief description of actions taken:**

I have taken steps to find a Section 3 Resident in the applicable targeted areas where the project(s)/assistance will take place. **List areas:**

Placed signs or posters at prominent places in each of the above listed areas. *Photographs were taken to document this action.*

I have advertised to fill vacancy(ies) at the site(s), where work is taking place, in connection with this project.

List advertisements (name publication, e.g. Work in Texas, Houston Chronicle, and/or website(s)):

- Distributed employment flyers to the administrative office of the local Public Housing Authority.
- Provided notice of positions available to the Texas Workforce Commission for potential applicants. *Provide copy of notice.*
- Contacted employment referrals or Youthbuild Program referrals. **List contacts:**

- Contacted with applicable parties to ensure that any HUD Youthbuild programs currently operating in the project(s) area/ assistance will take place.
- Kept a log of all applicants and indicate the reasons why Section 3 Residents who applied were not hired.
- Retained copies of any employment applications completed by public housing, Section 8 certificate or voucher holders or other Section 3 Residents.
- Sent a notice about Section 3 training and employment requirements and opportunities to labor organizations or to worker representatives with whom our firm has a collective bargaining or other agreement.

3. Verification

I have attached proof of all checked items.

Authorized Name and Signature

Date/Time Field

Attested By: _____

Text

Section 3 Monthly Progress Report



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

Section 3 Monthly Progress Report

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____
GLO Contract # _____
HCSIDRS Contract # _____
Contract Award Date: _____
Reporting Month: _____ Reporting Year: _____

Contracts Executed During Reporting Month (Report all contracts executed during the reporting month.)

1. Non-Construction Contracts (3% of all awarded non-construction contracts, awards to Section 3 Business Concerns-represents minimum goals) (Report awarded Contracts that are valued at or above \$2,000)

Business Name	Contract Amount	Section 3 Bus.	Contract Award Date	Posted Job Notice in Work-in-Texas / Local Workforce Solut.	TWC Tax ID No.	FEIN No.	Section 3 Contract Amount	Reason/Contract Type	Add a Row
									+ -

2. Construction Contracts (10% of all awarded construction contracts, awards to Section 3 Business Concerns-represents minimum goals)

Prime Contractor Name	Construction Contract Amount	Section 3 Bus.	Contract Award Date	Posted Job Notice in Work-in-Texas / Local Workforce Solut.	TWC Tax ID No.	FEIN No.	No. of New Hires	No. of New Hires (Section 3 Residents)	Total No. of New Hires (cumulative, Reporting YR)	Total No. of New Hires (Section 3 Residents)	Add a Row
											+ -

Subcontractor (Name)	Contract Amount	Ctrct. Award Date	Contractor Type: Plumbing, Electrical, etc...	Posted Job Notice in Work-in-Texas / Local Workforce Solut.	Tax ID No.	FEIN No.	Section 3 Business	Add a Row
								+ -

Explain efforts to comply with #1 and #2 above to award contracts to Section 3 Business Concerns for the reporting month:



Texas General Land Office
Community Development Block Grant (CDBG)
Disaster Recovery Program

Section 3 Monthly Progress Report

Economic Opportunities for Low and Very Low-Income Persons

Grantee/Subrecipient: _____
GLO Contract # _____
HCSIDRS Contract # _____
Contract Award Date: _____
Reporting Month: _____ Reporting Year: _____

3. Contracts Awarded During Reporting Month (Totals)

NON-CONSTRUCTION CONTRACTS (3% of all awarded non-construction contracts, awards to Section 3 Business Concerns-represents minimum goals)	CONSTRUCTION CONTRACTS (10% of all awarded construction contracts, awards to Section 3 Business Concerns-represents minimum goals)
A. Total dollar amount of all non-construction contracts awarded on the project / activity: _____	A. Total dollar amount of all construction contracts awarded on the project/activity: _____
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses: _____	B. Total dollar amount of contracts awarded to Section 3 businesses: _____
C. Percentage of the total dollar amount that was awarded to Section 3 businesses: _____	C. Percentage of the total dollar amount that was awarded to Section 3 businesses: _____
D. Total number of Section 3 businesses receiving contracts: _____	D. Total number of Section 3 businesses receiving contracts: _____

5. Employment and Training Totals (30% of Total Number of New Hires as Section 3 Residents - represents minimum numerical goal)

Job Category (e.g. Professionals; Technicians; Construction by Trade (list trade); Other (list):	No. of New Hires	No. of new Hires that are Section 3 Residents	% of Aggregate Number of Staff hours that are Sec 3. Residents	% of Total Staff hours for Section 3. Employees and Trainees	Number of Section 3 Trainees	Add a Row
						+ -
						+ -
Total:						

Date/Time Field _____ Section 3 Coordinator/Authorized Representative _____

Failure to Meet Required Goals (Housing)

- Galveston County Housing Assistance Program will utilize a points system to score the performance of contractors for the Round 2 Program. Section 3 compliance will be a factor utilized in the scoring system. Performance will determine the number of assignments given to contractors. Reports are to be submitted to GCHAP on the first business day of the following month. Therefore, Section 3 non-compliance can affect the number of assignments given to a particular contractor. The contractor will be given 30 days to achieve compliance.

Failure to Meet Required Goals (Non-Housing)

- Galveston County CDBG Non-Housing Program will monitor performance of contractors for compliance. In the event of non-compliance, the contractor will have to provide, in writing, proof of Section 3 outreach efforts, number of actual new hires for the project, etc. This effort is in order to document how compliance was attempted but not achieved. If deliberate cases of non-compliance are discovered, the contractor will be given 30 days to achieve compliance, or the Texas General Land Office will be notified and potential corrective steps taken to achieve compliance.

Filing Complaints:

- Housing complaints must be submitted in writing to GCHAP or submitted via the Galveston County website. All complaints must include the complainant's name, address, telephone number, and a brief narrative detailing the complaint, including but not limited to, the date the alleged violation occurred and the date the alleged violation was discovered. Complaints shall be filed within 30 calendar days after the complainant becomes aware of any alleged violation.

Filing Complaints: Continued

➤ Housing

Galveston County

Housing Department

722 21st Street (6th Floor)

Galveston, Texas 77550

Direct Line: (409) 770-5369

➤ Non-Housing

Hurricane Ike

CDBG-DR

722 21st Street (3rd Floor)

Galveston, Texas 77550

Direct Line: (409) 770-5358