



## GHA Fact Sheet Series

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### Section 3 Program

The GHA is currently assessing how to develop a Section 3 business and/or train and utilize Section 3 residents in its redevelopment initiatives. Since the storm, the GHA has developed a revitalization plan that includes the redevelopment of four public housing sites and up to 179 scattered site housing units throughout the island. These initiatives will be a combination of both new construction and rehabilitation of vacant structures in need of repair. By working to rebuild properties, the GHA will be in an incredible position to contribute to the economic recovery on the island as well as increase the affordable housing opportunities.

Section Three of the Housing and Urban Development Act of 1968, as amended by the Housing & Community Development Act of 1994, requires that, to the greatest extent feasible, employment and other economic opportunities generated by HUD funds be directed to low and very low income residents. 24 CFR Part 135 requires that the GHA make best efforts to ensure that 30% of new hires of the GHA and of its contractors funded through development assistance, operating assistance or modernization assistance from HUD be residents of GHA communities. Furthermore, it requires that best efforts be made to ensure that 10% of all construction or repair related contracts and 3% of all other contracts be awarded to Section 3 business concerns. A Section Three Business Concern is defined as a business concern that is 51% owned by a GHA or other Section 3 residents, or 30% of whose permanent full time employees are GHA or other Section 3 residents or have been within the past three years.

In order to be considered by HUD to be in compliance with the provisions of 24 CFR Section 135, GHA will take four concurrent courses of action. These actions are as follows:

- GHA will formalize recruiting and hiring policies and practices that allow at least 30% of the aggregate number of new hires each year at GHA to be qualifying public housing residents or other low income city residents
- GHA will establish a goal that all contractors and subcontractors hire qualifying Section 3 residents for at least 30% of the new positions created as a result of contracts with GHA
- GHA will establish a goal that at least 10% of the total dollar amount of contracts for construction, repair and rehabilitation is awarded to qualifying Section 3 business concerns. Also, that at least 3% of the total dollar

amount of all other GHA contracts are awarded to qualifying Section 3 business concerns

- GHA will implement efforts to have a ready pool of public housing residents trained to fill the positions offered by the GHA, its contractors, or subcontractors. GHA training programs will be geared to ensure that residents will meet the minimum requirements, i.e., valid driver's license, high school diploma or equivalent, drug free workplace requirement, and criminal background checks, for GHA and contractor employment positions.
  
- GHA will make every effort to assist those residents with obtaining adequate support services such as day care and transportation. It will also ensure that residents of GHA communities are aware of opportunities as they become available and that contractors know how to reach the ready pool of potential employees from GHA communities

In order to comply with the provisions of 24 CFR Part 135, GHA is required to establish programs and procedures that facilitate the training and employment of residents of GHA communities by undertaking activities such as:

- Publicizing the availability of positions with GHA or its contractors or subcontractors
  
- Providing assistance and counseling in job placement, job interview, and job applications
  
- Maintaining current lists of available and qualified residents and making them available to contractors. Including negotiated provisions in all contracts specifying the number of residents of GHA communities that the contractor will hire.
  
- Maintaining lists of Section 3 business concerns and their specialties.
  
- Providing assistance to Section 3 business concerns in obtaining bonding, lines of credit, financing or insurance by coordinating efforts with the Neighborhood Development Dept., Self Help Credit Union, the Small Business Technology Center, and the Small Business Administration. Additional assistance may be provided through revisions to the GHA Procurement Policy.