

**WHAT ARE POTENTIAL SECTION 3
EMPLOYMENT AREAS?**

CONSTRUCTION-RELATED SERVICES	NON-CONSTRUCTION/ POST-CONSTRUCTION SERVICES
Architecture	Appraisal Services
Bricklaying	Archeology
Carpentry	Building Inspection Services
Cement/Masonry	Building Maintenance
Demolition	Catering
Drywall	Computers/Information Technology
Electrical	Courier Services
Elevator Construction	Engineering
Engineering	Janitorial
Environmental Services	Landscaping
Fencing	Legal Services
Flooring Installation	Management Consulting
Heating	Marketing/Photography
Insulation/Siding Installation	Printing
Iron Works	Real Estate Services
Landscaping	Security
Machine Operation	Surveying Services
Painting	Transportation
Plastering	
Plumbing	
Roofing	

Missouri
CDBG/DR/MIT
Section 3 Program

**SECTION 3
PROGRAM**



WHAT IS SECTION 3?

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires recipients of certain HUD financial assistance to provide job training, employment, and contracting, to the greatest extent feasible, for low- or very low-income residents in connection with projects and activities in their neighborhoods.

The requirements of Section 3 apply to recipients of HUD Housing and Community Development funding exceeding \$200,000. Further, contractors and subcontractors that receive contracts in excess of \$100,000 for Section 3 covered projects/activities are required to comply with the Section 3 regulations in the same manner as direct recipients.

HOW DOES SECTION 3 APPLY TO MISSOURI RESIDENTS AND BUSINESSES?

Missouri CDBG/DR/MIT is a recipient of federal funding from HUD. Whenever any portion of HUD funding is invested into projects involving **housing construction, demolition, rehabilitation, or other public construction (i.e., roads, sewers, community centers, etc.)**, the requirements of Section 3 may apply. Section 3 is triggered when the normal completion of construction and rehabilitation projects creates the need

for **new** employment, contracting, or training opportunities. When triggered, Section 3 opportunities must be extended to residents and businesses which meet the following criteria:

A SECTION 3 RESIDENT IS:

1. A public housing resident; or
2. An individual who resides in Missouri and whose total household income does not exceed 80% of the median income for the area, as determined by HUD.

For current income limits contact the Missouri CDBG/DR/MIT Section 3 program.

A SECTION 3 BUSINESS IS:

1. A business that is 51% or more owned by Section 3 residents; or
2. A business whose permanent full-time employees includes persons, at least 30% of whom are currently Section 3 residents, or within three years of the date of first employment with the firm were Section 3 residents; or
3. A business that provides evidence of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described above.

Missouri CDBG/DR/MIT will maintain a database of all certified Section 3 residents and businesses to share with those implementing Section 3 covered projects.

HOW DO I BECOME A CERTIFIED SECTION 3 RESIDENT OR BUSINESS WITH MISSOURI?

Residents and businesses interested in becoming Section 3 certified should contact the Missouri Section 3 Program at 844-847-0499 or by email at Amy.Werner@ded.mo.gov. Certifications are valid for up to three (3) years.

