



SECTION 3 FAQ

Frequently Asked Questions

1. What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. The Section 3 regulations can be found here: [Section 3 Regulations: 24 CFR Part 75](#). In September 2020, HUD released its new rule on Section 3. These FAQs are based on the new rule.

2. Who are Section 3 Workers?

A Section 3 worker is any worker who currently fits, or when hired within the past five years fit, at least one of the following categories, as documented:

1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD (see Question 4 below);
2. The worker is employed by a Section 3 business concern (see Question 14 below); or
3. The worker is a YouthBuild participant.

3. Who are Targeted Section 3 Workers?

A Section 3 targeted worker for ¹Public Housing Financial Assistance projects is a Section 3 worker who:

1. is employed by a Section 3 business concern; or
2. currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - i) A resident of public housing or Section 8-assisted housing;
 - ii) A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
 - iii) A YouthBuild participant.

¹ Public housing financial assistance as defined in [HUD's Section 3 FAQ](#).



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4. How are low-income and very low-income determined?

Low- and very low-income limits are defined in Section 3(b)(2) of the Housing Act of 1937 and are determined annually by HUD. These limits are typically established at 80 percent and 50 percent of the area median individual income. HUD income limits may be obtained from:

<https://www.huduser.gov/portal/datasets/il.html#2021>

5. What are the categories of prioritization for Section 3 hiring?

Category 1: Residents of the public housing projects for which the public housing financial assistance is expended;

Category 2: Residents of other public housing projects managed by the PHA that is providing assistance or for residents of Section 8-assisted housing managed by the PHA

Category 3: Participants in YouthBuild programs; and

Category 4*: Low and very low-income persons residing within the metropolitan area (or non-metropolitan county) in which the assistance is expended.

* For all category 4 hires, contractor must submit a NYCHA Section 3 Resident Self-Certification form.

6. Are all public housing residents considered Section 3 workers regardless of their income?

No. To qualify as a Section 3 Worker, an individual must meet one of the following criteria:

1. The worker's income for the previous or annualize year is below the income limit established by HUD;
2. The worker is employed by a Section 3 Business Concern; or
3. The worker is a Youthbuild participant.



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7. What are NYCHA's numerical Section 3 hiring goals?

Twenty-five (25) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance or housing and community development financial assistance are Section 3 workers.

Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance and community development financial assistance are targeted Section 3 workers.

The 5 percent is included as part of the 25 percent threshold.

8. Does Section 3 requirements apply to all Permanent Affordability Commitment Together (PACT) conversions?

Section 3 applies to all PACT conversions that utilize HUD's Rental Assistance Demonstration (RAD) program.

9. What is the Resident Employment Program (REP)?

The Resident Employment Program (REP) was enacted to extend the reach of the federal Section 3 regulation. REP is a NYCHA sponsored policy that requires contractors expend 15% of the total projected labor cost, on capital and modernization contracts that are awarded in excess of \$500,000, on NYCHA resident hires (categories 1 & 2). REP is in addition to Section 3.

10. How do I register my interest in job opportunities?

NYCHA residents who are interested in job opportunities generated through NYCHA contracting and other partnerships can learn more about how to apply by attending a REES Information Session. You can [view](#) upcoming REES Information Sessions and make an appointment [online](#) or call the REES Hotline at 718.289.8100.

You can also register your interest in job opportunities by completing a REES intake form via [NYCHA's Self Service Portal](#).

Residents who need additional experience and/or certifications can meet with a REES Assessment Specialist at an Information Session to access training and other services available through REES and its partners.



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11. Does NYCHA provide training for Section 3 jobs?

Yes. NYCHA, through support of the Robin Hood Foundation, administers the NYCHA Resident Training Academy (“NRTA”) in partnership with best-in-class vocational training providers. The NRTA is an employment-linked training program that prepares NYCHA residents for jobs with NYCHA, NYCHA contractors and other employers. As of April 2021, over 2,800 residents have graduated from the Academy with 90% going on to quality jobs. To learn more visit <http://opportunitynycha.org/workforce-development/nycha-resident-training-academy/>.

Additional training is available through REES partner service providers or “Zone Partners”. You can learn more about training and workforce services at www.opportunitynycha.org.

12. How do I get placed in Section 3 jobs?

Once Section 3 vacancies become available, REES staff match qualified candidates with the opportunities based on the skillset requirement and the residents’ proximity to where the work is occurring. REES will refer candidates to NYCHA contractors for interviews. Contractors make all final hiring decisions. Please note, residents may be referred for vacancies outside of their housing development and/or borough.

13. What types of skills or certificates do I need for a Section 3 job?

Section 3 jobs have varying skillset requirements. Necessary certifications vary depending on the type of work required on the job site. At a minimum, most construction sites require that employees complete the Occupational Safety & Health Administration (OSHA) 30-Hour Construction Course and Site Safety 10 construction training course, which provides an introduction to OSHA standards and requirements. Certain jobs may require additional certifications and minimum years of experience in a given trade or occupation.



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14. What types of jobs are available through Section 3 jobs?

Entry level and more skilled jobs may be available to qualified NYCHA residents interested in employment through Section 3. Some examples of job titles, include:

Carpenter
Demolition Laborer
Electrician
Elevator Apprentice/Helper
Elevator Mechanic Laborer
Mason Tender/Bricklayer
Painter
Plumber/Jobber
Cable Pulling/Technician
Maintenance Assistant
Field Support Assistant

15. What is a Section 3 Business Concern?

A Section 3 business concern is a business that meets at least one of the following criteria, documented within the last six-month period:

1. A business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
2. At least 51 percent owned and controlled by low- or very low-income persons; or
3. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers.

16. How can I register as a Section 3 Business Concern and do business with NYCHA?

If your company has never done business with NYCHA, you must first register your company with NYCHA through iSupplier. Learn more about doing business with NYCHA here: <https://www1.nyc.gov/site/nycha/business/isupplier-vendor-registration.page>.

If you have previously done business with NYCHA, register as a Section 3 Business Concern online at <https://www1.nyc.gov/site/nycha/business/section3-business-concern-information.page>.