

ICF Trainers

Les Warner

Kris Richmond

Andelyn Nesbitt Rodriguez



Resources

Quick Links

- www.hud.gov/section3
- www.hudexchange.info/section-3

Section 3 eGuidebook

CPD Notices

- [21-07 \(HOME/HTF\)](#)
- [21-09 \(OBGA\)](#)

PIH Notice

- [2022-10](#)

Trainings & Tools

- [15 Section 3 Tools](#)
- [Searchable FAQs \(HUD Exchange\)](#)
- [Section 3 – Three Day Training Course for HCD/PH Recipients](#)
- [HUD Opportunity Portal](#)
 - [Check out the How-To Video](#)
- [Section 3 IDIS Demo/Tutorial](#) (HUD YouTube Channel)
- [Section 3 Final Rule Guidance for HOME/HTF Video](#) (HUD Exchange)
- [Section 3 Final Rule Guidance for CDBG-DR and CDBG-MIT Grantees Video](#) (HUD Exchange)
- [DRGR Reporting Section 3 Labor Hours Fact Sheet](#)



Section 3 Implementation: Sharing Your Experience

Successful Section 3 Implementation?

- Working with unions
- Apprenticeship programs
- Section 3 Plan
- Other ideas to share?

Let Us Know!

- Go to the chat box, and provide your information (name, email, and the area you have had success in).



How do you certify a Section 3 Worker based on income?

Certifying Section 3 Worker (by Income)

Step 1. Define a Section 3 Worker

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:

Low or very low-income worker

OR

Employed by a Section 3 business concern

OR

Youthbuild participant

Step 2. ID Certification Options for Income

Two types of certification options to consider:

- A. Self-Certification: A worker's self-certification stating that:
- their income is below the income limit from the previous year, or
 - they participate in a means-tested program such as public housing or Section 8-assisted housing.
- B. Certification from outside source
- Certification from a PHA, or the owner or property manager of Project-Based Section 8-assisted housing, or the administrator of Tenant-Based Section 8-assisted housing that the worker is a participant in one of their programs;
 - An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis.



Income Limits



A low or very low-income worker

Determining the Low or Very Low-Income Limit

- Income is based on the individual, not the household
- Use the MSA income limits in which the worker resides NOT where the project takes place.

»»» Example: Income Limits for a specific MSA

FY 2022 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
Very Low (50%) Income Limits (\$)	28,250	32,250	36,300	40,300	43,550	46,750	50,000	53,200
Click for More Detail								
Extremely Low Income Limits (\$)*	16,950	19,400	23,030	27,750	32,470	37,190	41,910	46,630
Click for More Detail								
Low (80%) Income Limits (\$)	45,150	51,600	58,050	64,500	69,700	74,850	80,000	85,150
Click for More Detail								

HUD income limits found at:

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



Certifying Section 3 Worker (by Income)

Step 3. Select Option and Deploy: Using Self-Certifications

- A. Self-Certification: A worker’s self-certification stating that:
- their income is below the income limit from the previous year, or
 - they participate in a means-tested program such as public housing or Section 8-assisted housing.

TIPS

- Keep It Simple!
- No special requirements for very-low income



Example Language

To qualify as a Section 3 Worker, you must meet **one** of the following requirements **OR** have your employer certify that you are employed by a Section 3 Business concern:

<ul style="list-style-type: none">• Income for the previous calendar year is below the income limit*• A participant in a means-tested program such as public housing or Section 8-assisted housing• A YouthBuild Participant*	Income limit \$XX,XXX
---	------------------------------

*Currently or at the time of hire if hired within the past 5 years

☐ I meet at least one of the requirements in the box above and therefore qualify to be counted as a Section 3 Worker under 24 CFR § 75.

<https://www.hudexchange.info/programs/section-3/resources-and-tools/#section-3-tools>



Certifying Section 3 Worker (by Income)

Step 3. Select Option and Deploy: Using outside source

B. Certification from outside source

- Certification from a PHA, the owner/property manager of Project-Based Section 8-assisted housing, or the administrator of Tenant-Based Section 8-assisted housing that the worker is a participant in one of their programs.
- An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis.

»»» Example Language:

Please indicate which of the following is true for the worker listed above: (Select all that apply)

<input type="checkbox"/> Worker's income from your employment is below the income limit based on a calculation of what the worker's wage rate would translate to if annualized on a full-time basis*	Income limit \$XX,XXX
<input type="checkbox"/> Worker is employed by a Section 3 Business Concern (Select if your business qualifies as a Section 3 Business Concern)	
<input type="checkbox"/> Worker's residence is within the service area or neighborhood of the project	

<https://www.hudexchange.info/programs/section-3/resources-and-tools/#section-3-tools>

*Currently or at the time of hire if hired within the past 5 years.



Determining income annualized



A low or very low-income worker

Certification Option:

- An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis.

How to Calculate?

Multiply the workers hourly rate by 2080 (number of hours/year when working a full-time basis).

Example Scenario

FY 2022 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
Very Low (50%) Income Limits (\$)	28,250	32,250	36,300	40,300	43,550	46,750	50,000	53,200
Click for More Detail								
Extremely Low Income Limits (\$)*	16,950	19,400	23,030	27,750	32,470	37,190	41,910	46,630
Click for More Detail								
Low (80%) Income Limits (\$)	45,150	51,600	58,050	64,500	69,700	74,850	80,000	85,150
Click for More Detail								

Worker's Pay = \$17.11 per hour

Annualized on a full-time basis:

$$\$17.11 \times 2080 = \$35,588.80$$

QUESTION: In this scenario, would this person's income qualify them as being a Section 3 Worker?

Yes or No?

$$\$35,588.80 < \$45,150$$



Resources

Quick Links

- www.hud.gov/section3
- www.hudexchange.info/section-3

Section 3 eGuidebook

CPD Notices

- [21-07 \(HOME/HTF\)](#)
- [21-09 \(OBGA\)](#)

PIH Notice

- [2022-10](#)

Trainings & Tools

- [15 Section 3 Tools](#)
- [Searchable FAQs \(HUD Exchange\)](#)
- [Section 3 – Three Day Training Course for HCD/PH Recipients](#)
- [HUD Opportunity Portal](#)
 - [Check out the How-To Video](#)
- [Section 3 IDIS Demo/Tutorial](#) (HUD YouTube Channel)
- [Section 3 Final Rule Guidance for HOME/HTF Video](#) (HUD Exchange)
- [Section 3 Final Rule Guidance for CDBG-DR and CDBG-MIT Grantees Video](#) (HUD Exchange)
- [DRGR Reporting Section 3 Labor Hours Fact Sheet](#)





Questions?



Future Office Hours Dates

Dates	Times
September 7th, 2022	2:00pm-3:30pm ET
October 11th, 2022	3:00pm – 4:30pm ET
November 3rd, 2022	2:30pm – 4pm ET
December 13th, 2022	2:30pm – 4pm ET
January 11th, 2023	1:30pm – 3pm ET