

INTRODUCTION TO SECTION 3

Section 3 of the Housing and Urban Development Act of 1968 is a tool that is used for economic uplift. The Act requires the Housing Authority as well as their contractors and subcontractors to make a good faith effort by taking concrete steps to provide opportunities for job training, employment of a permanent, temporary or seasonal nature, and contracting to low-income persons, particularly those who are recipients of Federal housing assistance.

Some definitions will be helpful to understand the program.

Section 3 Area: City of Columbia or Richland and Lexington Counties.

Section 3 Resident: An individual who resides in the Section 3 area who is low-income or very low-income. Low-income are families (including single persons), whose income does not exceed 80% of the median area income. Very low-income (including single persons), whose income does not exceed 50% of the median area income.

Section 3 Business: (1) A business located within the Section 3 Area owned in substantial part, at least 51%, by Section 3 Resident; (2) whose permanent, full-time employees include persons, at least 30 % of whom are currently Section 3 Residents; (3) within three years of the date of first employment with the business concern were Section 3 Residents; (4) provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in (1), (2), or (3).

Area Median Income (AMI): AMI is determined by the Federal government. For this Section 3 Area, AMI for a family of 4 is \$56,400. Low-income is 80% of AMI (\$45,120); Very low-income is 50% of AMI (\$28,200)

As a Contractor, you are required by the Act to take affirmative steps to give preference to the greatest extent feasible to qualified Section 3 area residents and business concerns by providing training, employment and contracting opportunities.

Read the attached Section 3 Specification Clause, all attached certifications and forms, returning these completed forms with your other bid documents.

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