

Tenant Talk Live Section 3 Chat Questions

Questions:

1. How can Sec 3 be tailored to those who are unable to work full time?
 - a. **Answer:** Section 3 covers any hiring that needs to be done on a covered project and applies to all workers regardless of how many hours they would like to work or have been offered by their employer. If a contract needs part time or temporary employees, those workers' hours count toward total Section 3 hours. We have seen grantees hire Section 3 workers for ad-hoc labor needs including minor maintenance work and transporting materials across a property.
2. How can Sec 3 help us to repair our own buildings? Ours is a hot mess and needs so much. That would be very powerful incentive and help build community
 - a. **Answer:** Section 3 does not have appropriations like a program that can be awarded for construction or rehabilitation. Rather, it is a workforce requirement that attaches to certain HUD-funded construction or rehabilitation projects. If funding were to be awarded to rehabilitate a building, Section 3 would then require the employment of low-income workers on that project.
3. As seniors stay in the workforce longer Sec 3 should ensure that age is a considered metric. What needs to happen to ensure that race and gender are measured?
 - a. **Answer:** Section 3 is race, gender, and age neutral at the statutory level. Thus, none of those demographics are considered in Section 3 prioritization requirements.
4. Would you like to say more about your partnering with Community Action Agency education and workforce programs?
 - a. **Answer:** This is a budding partnership that targets HUD-assisted individuals for [Weatherization Assistance Program](#) related jobs created by new funding through the [Bipartisan Infrastructure Law](#). These weatherization jobs provide on-the-job training to establish entry level skills that can be transferred to Section 3 employment, apprenticeships, or even advanced weatherization/green energy career paths.
5. In order to ensure we are ready to take on those jobs HUD should be reversing the privatization of our community centers. When tenants influenced the programming offered they served our needs. Now they get grants. How can HUD regain control of service and program development, while including tenant input at the local level?
 - a. **Answer:** HUD never had control of service and/or program development at NYCHA. The tenants, through their local tenant associations (Tas) and the Citywide Council of Presidents (CCOP), must work with NYCHA to influence the programming at their developments. When NYCHA enters into a lease for the community space, that lease does not privatize the center. It is still available for residents to use as long as the residents follow NYCHA's community center usage policies.¹
6. Will residents be on selection committees for reviewing the bids?

¹ Response submitted by NYCHA

- a. **Answer:** No, Section 3 plays no role whatsoever in the contracting process other than prioritizing Section 3 businesses and businesses that employ Section 3 workers. HUD grant recipients are not required to engage with residents when they establish their procurement procedures and bid review processes.
7. How do you balance buying local through HUD guidelines when building affordable housing with the costs that could impact the total number of people you could serve with more services?
 - a. **Answer:** The Build America, Buy America Act (BABA) is statutory and requires the purchase of American made materials when federal financial assistance is used – operating and capital grants for public housing. Further, this is statutory, a law, and therefore agencies such as HUD must implement the law as written.²
8. That amount of education while nice demonstrates that HUD isn't working with grantees that come from our community. Grantees should be public housing tenants, developed with the support of the PHA and Department of Lanor. The infrastructure is there. Why isn't it being applied?
 - a. **Answer:** HUD's public housing financial assistance goes directly to Public Housing Authorities which are located in local communities all across the country. The Section 3 program incentivizes the hiring of public housing tenants on covered HUD-funded construction projects. Likewise, Section 3 incentivizes contracting with small businesses that are owned and operated by public housing tenants, with the ultimate goal of creating more economic opportunities for HUD-assisted residents who live in the community.
9. What happens after the TA is given if certain metrics aren't met?
 - a. **Answer:** Whenever grantees fail to meet benchmark goals, HUD requires qualitative reporting on Section 3 efforts by those grantees. And under certain conditions, HUD's program offices can impose other sanctions or penalties, as appropriate.
10. Has HUD considered tracking income in addition to hours? And post-employment securement and success for Section 9/ public housing?
 - a. **Answer:** HUD considers the balance of administrative burden with all information collection decisions that are made. The primary policy of Section 3 is to ensure that economic opportunities are directed to low-income persons, and in rulemaking, it was determined that tracking labor hour data from covered projects is currently the best way to do that. We could consider collecting additional data points to measure program performance in future information collections.
11. Feels like HUD didn't learn from COVID. Section 9 tenants died and were infected at twice the rate. Yet PHAs like NYCHA continue to not spend their money. We're endangered by mold, lead and asbestos but the PHAs are only spending 6% of the money they get from city council.
 - a. **Answer:** For NYCHA, money that comes through City Council is a very small amount of money in NYCHA's overall budget and that funding is tied to specific projects, as

² Response submitted by NYCHA.

allocated by the councilmember who sent NYCHA the funding. NYCHA is meeting their regulatory deadlines when it comes to obligating and expending their federal funding.³

- b. Add on the stress caused by housing insecurity and rental burdens created by privatization/ project based section 8 and you now have a mental health crisis affecting an already vulnerable and struggling population.
 - i. **Answer:** The rent burden for the vast majority of NYCHA residents does not change when their public housing is converted to the section 8 program. There are a handful of households that will have their rent affected, but this is due to being over income as defined by HOTMA.
 - c. True support of tenants would look like funding being used for in unit repairs. Not external capital repairs.
 - i. **Answer:** NYCHA does complete in-unit work as well as capital. It is important to note that the vast majority of issues affecting the resident's apartments is from the aging infrastructure in their buildings. To properly abate these health and safety issues major capital projects are needed to the buildings infrastructure – such as sanitary sewer lines.
 - d. How can you support that/ put this into action while enforcing Sec 3?
 - i. **Answer:** NYCHA is currently working on updating their Section 3 policies and procedures to ensure that residents are afforded job opportunities as required by the Section 3 rule.
12. How much money went to training grantees? How much money was invested in training developing/ preparing public housing tenants in trending careers mentioned tonight?
- a. **Answer:** HUD utilized over \$500,000 in TA funds specifically for training grantees virtually across 30+ live sessions (training and office hours), with the recordings available on-demand via [HUD Exchange](#), and a quick watch video series on the rule and understanding and navigating apprenticeships for Section 3 workers, and empowering workers and businesses. In addition, HUD spent over \$150,000 on “On-Call” TA which provides up to 32 hours of 1:1 training with grantees reviewing and recommending improvements to processes and procedures, business and worker outreach and engagement plans. HUD is currently targeting additional TA resources to develop a “Resource Hub” for Section 3 stakeholders: workers, businesses, and grantees. This Hub will contain local (by state) resources for workers and businesses as well as information for grantees seeking opportunities for qualitative efforts of the rule.
 - b. **Answer:** While Technical Assistance dollars are generally used to build the capacity of grantees, HUD staff in local communities have also supported this effort along with engagement with workers and businesses. In FY22 and FY23, HUD staff in local communities have conducted over 200 events on outreach, engagement, and education of Section 3 workers on the rule and opportunities generated from HUD funded projects.
 - c. **Answer:** In addition to TA provided trainings and staff in local communities led events, HUD has also led the coordination of nine Industry Day events across the US, aiming to connect Section 3 workers and businesses to lead abatement certification programs, and grantees to workers and businesses eligible to work on lead abatement projects.
13. Are only HUD and Public Housing tenants given an opportunity for training?

³ Response submitted by NYCHA.

- a. **Answer:** Not at all. Section 3 is 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. As such, Section 3 requires employment and training prioritization be given to all Section 3 workers. That includes low-income workers, employees of Section 3 business concerns, and YouthBuild participants. HUD-assisted tenants and public housing tenants are only a subset of that larger target group.
14. A recent report by NLIHC proved that subsidized and public housing are more likely to be impacted by natural disasters. Is HUD preparing public housing tenants to take on jobs responding to these?
- a. **Answer:** HUD program offices are developing disaster recovery plans and are at various stages of planning and implementation.
15. How much does public comment influence changes?
- a. **Answer:** HUD ensures that every citizen's voice is heard. Accordingly, all public comments on published HUD notices and rulemaking processes are thoughtfully considered.

Feedback:

- The recommendation of checking in with your local office overlooks the fact that local offices are not customer/ user friendly. The NE office is a perfect example. Although the leadership came from NYC and was considered an ally of Section 9 she fell in line and is unapproachable. Unless tenants are supportive of project based section 8/ privatization. Customer service within our PHAs and HUD itself is nonexistent. Meaning any tenant that goes to a local office or PHA is met with we don't have that info, we don't know who does that etc.
 - **Response:** Please have them contact Peter.E.Jackson@hud.gov if their local HUD office is non-responsive.