



SECTION 3 SELF-CERTIFICATION FAQs

1. GENERAL FAQs

1a. What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968. Section 3 is neither race- nor gender-based and is not an entitlement. Rather, Section 3 is income-based and intended to provide *preference* for jobs and contracts created by HUD-funded projects to 1) local, qualified residents of low or very low income and 2) local, qualified businesses that employ these residents.

Section 3 applies only when HUD funding for projects exceeds \$200,000 and, then, only to HUD-funded projects that require the creation of new jobs or contracts. When it applies, Section 3 applies to an entire project—regardless of whether that project is fully or partially funded by HUD.

Section 3 does not require the creation of jobs or contracts nor is it meant to substitute unqualified persons for qualified persons.

1b. What do the terms "low income" and "very low income" mean?

HUD has established annual income limits, based on household size and parish of residence, for Section 3 eligibility. Find the column that lists the number of people in your household. If the gross income of your household is equal to or below the Low Income limit, then you meet the income qualification for Section 3.

For Tangipahoa Parish:

Section 3 Annual Income Limits by Household Size								
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low Income	27450	31400	35300	39200	42350	45500	48650	51750
Very Low Income	17150	19600	22050	24500	26500	28450	30400	32350

For St. Tammany Parish:

Section 3 Annual Income Limits by Household Size								
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low Income	33600	38400	43200	48000	51850	55700	59550	63400
Very Low Income	21000	24000	27000	30000	32400	34800	37200	39600

For Livingston Parish:

Section 3 Annual Income Limits by Household Size								
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low Income	36700	41950	47200	52400	56600	60800	65000	69200
Very Low Income	22950	26200	29500	32750	35400	38000	40650	43250

For St. Helena Parish:

Section 3 Annual Income Limits by Household Size								
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low Income	36700	41950	47200	52400	56600	60800	65000	69200
Very Low Income	22950	26200	29500	32750	35400	38000	40650	43250

For Washington Parish:

Section 3 Annual Income Limits by Household Size								
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low Income	27350	31250	35150	39050	42200	45300	48450	51550
Very Low Income	17100	19550	22000	24400	26400	28350	30300	32250

If you are not a resident of one of the parishes listed above, you should consult your local city or parish government for information about your parish's annual income limits.

1c. What does the term "qualified" mean?

The City of Hammond defines the term "qualified" generally to mean licensed, experienced, and capable, as appropriate to the job or contract being sought. More specifically, a person or business shall be considered qualified to perform a job or execute a contract by meeting the advertised requirements.

1d. What does the term "local" mean?

"Local" is based on the location of the HUD-funded project. For the City of Hammond, the term "local" means residing within Tangipahoa Parish. Only local residents and business receive Section 3 preference for jobs and contracts created by HUD-funded projects.

2. RESIDENT FAQs

2a. Am I eligible for employment by the City under Section 3?

Review the tables in FAQ 1b for the household annual income limits.

If you are a resident of Tangipahoa Parish and either 1) live in public housing (e.g. a Section 8 apartment) or 2) live in household of low or very low income (e.g. you are currently receiving food stamps, LaCHIP, Medicaid, TANF, or WIC), then you are eligible for Section 3 preference. You must also be qualified for the job for which you are applying to receive Section 3 employment preference by the City of Hammond.

If you are live outside Tangipahoa Parish, you are not eligible for employment preference under Section 3, but you may still apply for City jobs. You are also encouraged to contact your local or parish government about its Section 3 employment policies.

2b. I am eligible under Section 3. Why should I certify?

Section 3 certification provides the City of Hammond and its contractors/subcontractors with a way to notify you of jobs created by HUD-funded projects within the City. If you are qualified for the job, Section 3 certification also means you gain hiring and job training preference for these jobs.

2c. I am eligible under Section 3. How do I certify?

Complete the *Section 3 Resident Self-certification Form*, available through the City of Hammond's Grants Department at 310 East Charles Street, or [online](#).

Mail the signed original to:

Grants Department
City of Hammond
PO Box 2788
Hammond LA 70404-2788

2d. I have self-certified with the City as Section 3. What do I do now?

Watch for job and training announcements to be posted in your area, in newspapers, and [online](#).

The City of Hammond and its contractors/subcontractors may contact you directly when a job or training becomes available.

2e. I have self-certified with the City as Section 3. How long does this certification last?

Residents must renew their Section 3 certification every 3 years.

3. BUSINESS OWNER FAQs

3a. Is my business eligible for contracting under Section 3?

If your business 1) is majority-owned¹ by persons of low or very low income, 2) employs a full-time workforce of which 30% are persons of low or very low income², or 3) subcontracts 25% of its work to businesses described by any of the above, your business meets the criteria for Section 3. Your business must also be located in Tangipahoa Parish and qualified to execute the contract for which it is applying to be eligible for contracting by the City of Hammond under Section 3.

If your business is located outside of Tangipahoa Parish, it is not eligible for preference in contracting under Section 3, but you may still apply for City projects. You are also encouraged to contact your local or parish government about its Section 3 contracting policies.

3b. My business is eligible under Section 3. Why should I certify my business?

Section 3 certification provides the City of Hammond with a way to notify your business of contracts created by HUD-funded projects within the City.

Where your business is qualified, Section 3 certification also extends preference for these contracts.

3c. My business is eligible under Section 3. How do I certify my business?

Complete the *Section 3 Contractor/Subcontractor Self-certification Form*, available through the City of Hammond's Grants Department at 310 East Charles Street or [online](#).

Mail the signed original to:

Grants Department
City of Hammond
PO Box 2788
Hammond LA 70404-2788

3d. My business has self-certified with the City as Section 3. What do I do now?

Watch for contract announcements to be posted in your area, in newspapers, and [online](#). The City of Hammond may also contact your business directly when a contracting opportunity becomes available.

¹ Under Section 3, a majority-owned business is one of which 51% is owned by local residents of low or very low income.

² This requirement applies to the employee's classification on the date of hire and is valid for 3 years after the hire date. For example, Alysha was an unemployed Section 3 resident when she was hired by ABC Company on January 1, 2011. She received a raise of \$2,500 in March 2012 that increased her annual household income above HUD's low-income limit for her parish. ABC Company may continue to count Alysha as one of its Section 3 employees until December 31, 2013.

3e. My business has self-certified with the City as Section 3. How long does this certification last?

Businesses must complete a *Section 3 Contractor/Subcontractor Self-certification Form* each time they apply for a contract with the City of Hammond. This requirement ensures that businesses remain competitive—by accounting for new hires and/or turnover, mergers and restructuring, and other factors that can affect Section 3 status³.

Since HUD funding is awarded annually and most HUD-funded projects are completed within 2 years, businesses should expect to renew their certifications every 1–2 years.

Businesses that do not renew their certifications will remain in the City’s Section 3 directory, but they will not be extended preference for HUD-funded projects.

3f. My business has been awarded a contract requiring Section 3-compliance. What information is my business required to report to the City?

For each new employee hired under the contract, your business must complete a *Contractor’s/Subcontractor’s New Employee Information Form*. As required by state or federal rules, your business may also be asked to complete the more detailed *Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capability*.

Both forms are available through the City of Hammond’s Grants Department at 310 East Charles Street or [online](#).

Mail completed, signed originals to:

Grants Department
City of Hammond
PO Box 2788
Hammond LA 70404-2788

4. ADDITIONAL QUESTIONS

4a. Whom should I contact if I have questions about Section 3 not answered here?

Additional questions about Section 3 may be directed to the City of Hammond’s Grants Department at 985.277.5650 or 985.277.5607 (fax).

³ For example, when ABC Company hired Alysha, it was to complement the company’s 3-person workforce. As the company’s only Section 3 employee, Alysha represented 25% of the resulting 4-person workforce—just shy of the percentage required (30%) for the company to self-certify as a Section 3 business. A few months later, one of Alysha’s co-workers leaves the company—reducing its workforce to 3, of which Alysha now represents 33%. And shortly thereafter, the company hires Robert, who not only restores the company’s workforce to 4 persons, but, like Alysha, a Section 3 resident, increases its number of Section 3 employees to 2, or 50%. When ABC Company bids on its next contract with the City of Hammond, the company will be able to self-certify itself as a Section 3 business that not only meets, but exceeds the requirements of Section 3.