

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: March 28, 2011
	Agenda Item No. 29 Roll Call No. <u>11-0526</u> Communication No. <u>11-184</u> Submitted by: Phil Delafield, Community Development Director

AGENDA HEADING:

Approval of the City of Des Moines’ Department of Housing and Urban Development (HUD) Section 3 Plan.

SYNOPSIS:

Approval of the City Manager’s recommendation to adopt the City’s Section 3 Plan to meet HUD requirements to provide employment and business opportunities to low-income persons, particularly recipients of government housing assistance and other HUD programs.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The Housing and Urban Development Act of 1968 established Section 3 requirements in 24 CFR 135.30 to provide employment and business opportunities for low-income individuals and contractors, in projects and programs funded by HUD. Entitlement cities are required to have plans for defining Section 3 eligibility, and procedures for including, to the greatest extent feasible, low income residents and businesses in employment and business opportunities resulting from HUD-funded programs. Because of recent economic conditions, HUD is re-emphasizing the Section 3 program and the City is updating its procedures to comply with the program.

City departments receiving HUD funds for construction, housing rehabilitation and economic development projects have been meeting over the past several months to review the plan and to ensure it meets federal, local and state requirements. Section 3-defined individuals and businesses that meet the eligibility requirements are given preference in hiring and contracting, if all other requirements regarding job qualifications and bidding procedures are met. HUD expects cities to meet established goals and make a good faith effort to ensure that individuals and businesses are aware of employment and contracting opportunities arising from HUD-funded programs.

The City Manager recommends that the City Council adopt the plan and set a goal of at least 10% of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation and construction, and other public construction, be awarded to Section 3 business

concerns.

The City is required to report annual accomplishments to HUD regarding employment and other economic opportunities provided to low-income persons under Section 3. These reports will be available to the City Council and other interested parties.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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