

City of Calistoga

POLICY AND GUIDELINES

Affordable Housing Contracts and Services Procurement Economic Opportunities for Training and Employment for Lower Income, Minority and Women's Business Enterprises (MBEs and WBEs)

Effective Date April 1, 2008 **Policy Authorization**

Revision Dates (1) _____ (2) _____

Authorization James C. McCam
James C. McCam, City Manager

OVERVIEW

In furthering affordable housing opportunities in the City of Calistoga, the City encourages and works with other governmental agencies, non-profit corporations and private development to develop affordable housing. The City also provides funding from city funds and sponsors grant applications from State and Federal agencies.

State and Federal grant programs have various requirements to provide for economic opportunities to Lower Income residents, minority and women's businesses.

Section 3 of the Housing and Urban Development Act of 1968 (24 CFR, the "Act"), as amended, provides that, to the greatest extent feasible, opportunities for training and employment that arise through federally-financed construction and rehabilitation projects shall be given to lower-income residents of the project area, and that contracts awarded in connection with such projects be awarded to small businesses located in the project area or small businesses owned, in substantial part, by residents of the project area.

The City establishes policies and procedures to outreach to lower income, minority and women's business enterprises (MBEs and WBEs) for contracting, supplies and services for State Department of Housing and Community Development (HCD) or Federal Department of Housing and Urban Development (HUD) programs.

Policy

The Act requires that economic opportunities generated by HUD financial assistance for the HCD administration of programs, such as HOME, CDBG and other similar programs, be targeted toward low and very low-income persons. The City policy shall be:

- Whenever HUD assistance generates opportunities for employment or contracting, recipients of HUD housing assistance funds must, to the greatest extent feasible,

provide these opportunities to low and very low-income persons and to businesses owned by or employing low and very low-income persons.

- The Act Section 3 requirements apply to job training, employment, contracting and subcontracting and other economic opportunities arising from assistance provided for construction, reconstruction, conversion, or rehabilitation (including lead-based paint hazard reduction or abatement) of housing, other buildings, or improvements assisted with housing or community development assistance, including HOME.
- The Act Section 3 requirements apply if:
 1. The City's HOME award exceeds \$200,000 and the contract or subcontract exceeds \$100,000 (Contractor and Subcontractor Thresholds Met), or
 2. The City's HOME award is \$200,000 or more but there are no construction contracts which exceed \$100,000 (Recipient Threshold) (*In this case requirements only apply to the Recipient and its staffs*)

In addition, the City shall ensure compliance in City operations and the operations of their contractors on projects or programs funded from HUD funds through HCD by the following:

1. Implementing procedures designed to notify types of business concerns, described above, about contracting opportunities and to notify low and very low income residents of the community about employment opportunities;
2. Notifying potential contractors of the requirements of this section and incorporating the appropriate references to HUD and HCD regulations into all solicitations and contracts for applicable projects;
3. Facilitating the training and employment of low and very low income residents by undertaking activities in this policy;
4. Assisting and actively cooperating with HUD in obtaining the compliance of contractors and subcontractors with the Section 3 requirements, and refraining from entering into any contract with any contractor where the recipient has notice or knowledge that the contractor has been found in violation of Section 3;
5. Documenting actions taken to comply with Section 3 requirements, and the results of actions taken and impediments, if any;
6. Reporting annually on the number of Section 3 residents that have been hired, and the number of Section 3 businesses that have been contracted with under the requirements of the HCD HOME and other programs. (The Section 3 reporting forms are included in the Annual Performance Report (24 CFR 91.520), which is mailed out by the Department around June 1 to all HOME Recipients for their completion);
7. Where there is a valid allegation of noncompliance with Section 3, the City shall refer the complaint to the Assistant Secretary of HUD, who will attempt, through informal methods, to obtain a voluntary and just resolution of the complaint. If informal resolution fails, then the Assistant Secretary will impose a resolution and/or sanctions on the contractor.

Guidelines for a Minority/Women Business Outreach Program

Under the minimum HUD standards cited above, the following guidelines are to be used in implementing outreach programs to ensure the inclusion, to the maximum extent possible, of entities owned by minorities and women:

- Develop a systematic method for identifying and maintaining an inventory of certified minority and women's business enterprises (MBEs and WBEs), their capabilities, services, supplies and/or products;
- Utilize the local media, electronic and print, to market and promote contract and business opportunities for MBEs and WBEs;
- Develop informational and documentary materials (fact sheets, program guides, procurement forecasts, etc.) on contract / subcontract opportunities for MBEs and WBEs;
- Develop procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and suppliers of goods and services;
- Sponsor business opportunity-related meetings, conferences, seminars, etc., with minority and women business organizations; and
- Maintain centralized records with statistical data on the utilization and participation of MBEs and WBEs as contractors / subcontractors in all HCD or HUD-assisted program contracting activities.

The City, utilizing the standards and guidelines listed above, shall prescribe procedures and actions it will undertake in implementing a minority and women's business enterprise outreach program for separate projects as needed. The above items represent basic outreach-related activities and are not all-inclusive actions the City may undertake on particular projects.