

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
JULY 27, 2021**

RESOLUTION NO. 2021-18

WHEREAS, the United States Congress passed Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) to further the goal of ensuring that federal funds benefit the low- and very-low income residents of projects funded wholly or in part by those funds, and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) changed the Section 3 Interim Rule - 24 CFR Part 135 with the Section 3 Final Rule 24 CFR Part 75 that establishes and outlines Section 3 standards and procedures that the Housing Authority of New Orleans will now be obligated to meet; and

WHEREAS, the Housing Authority of New Orleans has not revised its Section 3 and DBE/WBE Employment Training and Contracting Policy (ETC) since 2012; and

WHEREAS, the Housing Authority of New Orleans staff will amend the Authority's Section 3 and DBE/WBE Employment Training and Contracting Policy to comply with the newly implement Section 3 Final Rule 24 CFR, Part 75 that addresses the standards and procedures prescribed in the Act; and

THEREFORE, BE IT RESOLVED THAT the Board of Commissioners approves the adoption and implementation of the revised Section 3 Policy/Plan to ensure compliance with Federal Law and authorizes the Executive Director, Evette Hester, to approve the revised Section 3 and DBE/WBE Employment Training and Contracting Policy with the new Section 3 Final Rule-24 CRF part 75 language added to it.

Executed this 27th day of July, 2021.

APPROVAL:



DEBRA JOSEPH
PRESIDENT, BOARD OF COMMISSIONERS



July 27, 2021

MEMORANDUM

**To: Board of Commissioners
President Debra Joseph, Vice President Isabel Barrios,
Commissioner Avery Foret, Commissioner Monika McKay,
Commissioner Sharon Jasper, Commissioner Carol Johnson,
Commissioner Kim Piper and Commissioner Bill Rouselle**

**Through: Evette Hester
Executive Director**

**From: Gionne Jourdan
Director, Development and Modernization**

**Re: HANO Revised Section 3 and DBE/WBE Employment Training and
Contracting Policy-Amending the Policy and adding the Section 3
Final Rule-24 CFR Part 75 Language**

The Housing Authority of New Orleans (HANO) is requesting approval to amend its Section 3 and DBE/WBE Employment Training and Contracting Policy (ETC), which was last revised in 2012. The purpose for the request is to allow HANO to revise its existing policy to include language under the Interim Section 3 Rule found in 24 CFR Part 135, which has been revised by the U.S. Department of Housing and Urban Development (HUD). As of November 30, 2020, HUD has replaced Part 35 with Section 3 Final Rule 24 CFR Part 75. HUD's changes to the Section 3 rules provide for:

- 1) Alternative means of compliance when non-construction contract activities are performed using public housing financing assistance,
- 2) Adding two new categories defined as, Targeted Section 3 Worker and Section 3 Workers,
- 3) Benchmarks and Reporting, and
- 4) Section 3 Business Concerns certification.

Revising HANO's existing policy will allow the Authority to be in compliance with HUD's new Section 3 Final Rule as well as allow it to report into the Section 3 Performance Evaluation and Registry System (SPEARS). The reporting period, which was temporarily suspended during the implementation period that lasted from November 30, 2020 to September 30, 2021, will resume on October 1, 2021, and is tied to HANO's fiscal year. In addition, revising HANO's existing policy will also allow HANO to implement the new language into all contracts in response to any Request for Proposals (RFP), Request for Qualifications (RFQ) or Invitation for Bids (IFB).

Once implemented, HANO will require from contractors submission of the Section 3 Opportunities Plan, a roster of Core Employees, and certification that a respondent will comply with the requirements of the Section 3 Final Rule - 24 CFR 75 along with HANO's policy and requirements.

HANO requests that the Board of Commissioners approve the revision of HANO's existing Section 3 policy to allow the Authority to be in compliance with HUD's new Section 3 Final Rule.