



Legislation Text

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Res. No. 237

Resolution calling upon the appropriate committee of the Council to hold an oversight hearing on compliance by the New York City Housing Authority with Section Three of the United States Department of Housing and Urban Development (HUD) regulations related to providing economic opportunities generated by HUD resources to residents of public housing and other low-income persons.

By Council Members Lopez, Perkins, Quinn, Reed, Comrie, DeBlasio, Foster, Gerson, Martinez, Reyna, Rivera, Sanders, Serrano and Stewart; also Council Member Jackson

Whereas, Regulations promulgated by the United States Department of Housing and Urban Development (HUD) pursuant to Section Three of the Housing and Urban Development Act of 1968, as amended in 1992, provide that, to the greatest extent feasible, employment and other economic opportunities generated by HUD resources be directed to residents of public housing and other low and very low-income persons; and

Whereas, Amended regulations promulgated by HUD in 1994 set goals for the employment of residents: 10% of the aggregate number of new hires by recipients in FY-95 were to be residents, rising to 20% in FY-96 and 30% in FY-97; and

Whereas, The 1994 amended regulations also established goals for public housing authorities in the awarding of contracts in connection with Section Three covered activities: 10% of the total dollar amount of all contracts are to be awarded to section three businesses; and

Whereas, The New York City Housing Authority has established a Section Three Program which monitors agency compliance with Section Three of the HUD regulations as amended; and

Whereas, The New York City Housing Authority provides that entities it contracts with demonstrate compliance with the "greatest extent feasible" requirement of Section Three by showing that 30% of their new hires are Section Three business concerns; and

Whereas, The goal of the New York City Housing Authority Section Three Program, however, is for only three percent of all Section Three covered contracts to be awarded to Section Three businesses instead of the HUD mandated 10% level; and

Whereas, In addition, the New York City Housing Authority has established a Resident Employment Program (REP) which is a pilot program being tested on nine contracts exceeding \$500,000; and

Whereas, Under the REP, contractors are required to expend not less than 15% of the total labor cost, including fringe benefits, on public housing residents; and

Whereas, The mandate of the Section Three regulations is of particular importance as it relates to New York City Housing Authority residents who receive public assistance and participate in the Work Employment Program (WEP); and

Whereas, The Section Three regulations provide a vehicle for low-income residents of New York City Housing Authority developments to be upwardly mobile and provide a better future for their families; now, therefore, be it

Resolved, That the Council of the City of New York calls upon its appropriate committee to hold an oversight hearing on compliance by the New York City Housing Authority with Section Three of the United States Department of Housing and Urban Development (HUD) regulations related to providing economic opportunities generated by HUD resources to residents of public housing and other low-income persons.

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