

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2021 Legislative Session

Reference No.: CR-097-2021

Draft No.: 1

Committee: COMMITTEE OF THE WHOLE

Date: 11/04/2021

Action: FAV

REPORT:

Committee Vote: Favorable, 9-0 (In favor: Council Members Hawkins, Davis, Dernoga, Franklin, Glaros, Harrison, Ivey, Taveras, and Turner)

The Committee of the Whole (COW) convened on November 4, 2021 to consider CR-97-2021. The Planning, Housing and Economic Development Committee Director summarized the purpose of the resolution and informed the Committee of written comments received on referral. Terry Bell, County Executive's Liaison to the County Council, informed the Committee of Department of Housing and Community Development (DHCD) staff who were present for the discussion. Aspasia Xypolia, Director of DHCD, was joined by Shirley Grant, DHCD Community Services Manager, and Walter Simmons, President & CEO, Employ Prince George's. A PowerPoint presentation "Section 3 Action Plan" was provided and summarized by Director Xypolia, Ms. Grant, and Mr. Simmons. The purpose of the Action Plan is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons. Mr. Simmons informed the Committee of the partnership between DHCD and Employ Prince George's for implementation of the Action Plan through outreach, engagement, and referrals to the Employ Prince George's Construction Works Program.

The Policy and Fiscal Impact Statement dated November 3, 2021 provided the following discussion/policy analysis. Section 3 is both race and gender neutral. The standards provided under this regulation are based on income-level and location. Section 3 regulations were designed to encourage recipients of HUD funding to direct employment, training, and contracting opportunities to low-income individuals, and the businesses that employ these persons within their community regardless of race and/or gender.⁴ Section 3 projects are housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing. The requirements of Part 75 apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.⁵

⁴HUD Section 3 FAQs (August 2021)

⁵Id

Adoption of CR-97-2021 should have, at most, minimal adverse direct fiscal impact on the County. Adoption of CR-97-2021 should have a positive indirect fiscal impact through economic opportunities (i.e., Job training, contracts, employment, etc.) for County residents and businesses.

The Office of Law reviewed the resolution as it was introduced on September 28, 2021 and found it to be in proper legislative form with no legal impediments to its adoption.

The required public hearing for CR-97-2021 was held on October 28, 2021.

After discussion and responses to Council Members' questions, a motion for favorable recommendation was made by Council Member Turner and seconded by Council Member Franklin. The Committee voted favorable 9-0 on CR-97-2021 Draft-1.