



Angela D. Alsobrooks  
County Executive

# PRINCE GEORGE'S COUNTY GOVERNMENT

## OFFICE OF THE COUNTY EXECUTIVE

September 20, 2021

The Honorable Calvin S. Hawkins, II  
Chairman  
Prince George's County Council  
County Administration Building  
Upper Marlboro, Maryland 20772

Dear Chairman Hawkins:

Enclosed for the County Council's consideration is a Resolution for the purpose of amending the Prince George's County (the "County") Fiscal Year ("FY") 2021-2025 Consolidated Plan for Department of Housing and Community Development (DHCD) and FY 2022 Annual Action Plan ("AAP") for Housing and Community Development by including a Section 3 Action Plan covering FY 2021-2025.

Pursuant to Section 15A-103 – five (5) year Consolidated Housing and Community Development Plan, Annual Action Plan and Section 3, Action Plan of the Prince George's County Code, the County Executive must submit to the County Council for approval a Consolidated Plan and Annual Action Plan incorporating a Section 3 Action Plan. As you know, the County Council must advertise and conduct a public hearing on the draft Consolidated Plan and Annual Action Plan.

The purpose of Section 3 is to ensure that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development ("HUD") financial assistance shall, "to the greatest extent feasible," and consistent with existing federal, state, and local laws and regulations, be directed to low- and very low-income persons living in Prince George's County.

The Section 3 Action Plan addresses policies and procedures for HUD covered activities including: programs with multiple contracts; contracts which include HUD funding for public or residential construction projects; professional service activities generated by construction, such as roads, sewers, sidewalks, and community centers.

Section 3 requirements apply to HUD grantees, contractors and subcontractors performing work in connection with projects funded by federal housing and community development assistance covered by Section 3. The enactment of a Section 3 Action Plan is not a requirement of Section 3; however, it is a tool to assist jurisdictions in facilitating its implementation.

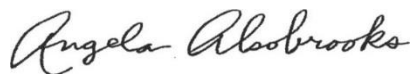
In May 2016, DHCD amended its FY 2016-2020 Consolidated Plan and FY 2016 Annual Action Plan by including a Section 3 Action Plan. The FY 2016-2020 Section 3 Action Plan was prepared based on the Section 3 Proposed Rule 24 C.F.R. § 135. DHCD would amend its Section 3 Action Plan whenever HUD finalized the Section 3 regulations to reflect any revisions in the new regulations.

In September 2020, HUD finalized the Section 3 Rule and removed the implementing regulations and added the final regulation 24 C.F.R. § 75. DHCD must implement Section 3 activities pursuant to these final regulations and comply with the reporting requirements starting July 1, 2021.

DHCD plans to use its FY 2021-2025 Section 3 Action Plan in the September 2021 as a guide for sub-recipients, contractors, and subcontractors awarded HUD funds to undertake Section 3 covered projects.

The Council's favorable consideration of this legislation is greatly appreciated. If you have any questions, please contact my office or Aspasia Xypolia, Acting Director, Department of Housing and Community Development (DHCD), at (301) 883-5531.

Sincerely,



Angela D. Alsobrooks  
County Executive

Enclosures