

COUNCIL ACTION FORM

SUBJECT: SECTION 3 PROGRAM PLAN IN CONJUNCTION WITH THE CITY'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

BACKGROUND:

As part of the Community Development Block Grant Program, entitlement cities and other recipients of HUD funding are required to prepare a Section 3 Program Plan. The Section 3 Program (a provision of the Housing and Urban Development Act of 1968) requires that recipients of certain HUD financial assistance (such as CDBG, HOME, etc.) provide job training, employment, and contract opportunities for low- or very-low income residents to the greatest extent possible. This requirement is in connection with projects and activities in their neighborhoods and business concerns that provide economic opportunities to low- and very-low income persons.

For the City of Ames, under our Community Development Block Grant (CDBG) Program, this plan would affect the implementation of our housing rehabilitation and public infrastructure projects that occur in excess of \$100,000.

ALTERNATIVES:

1. The City Council can approve the Section 3 Plan in conjunction with the City's Community Development Block Grant Program (CDBG) as written.
2. The City Council can approve the Section 3 Plan in conjunction with the City's Community Development Block Grant Program (CDBG) with modifications.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative #1, approving the Section 3 Plan in conjunction with the City's Community Development Block Grant Program (CDBG) as written.