



The Most Livable
City in America



Human Rights & Equal Economic Opportunity

HREEO champions Justice and Equity by confronting issues of discrimination and providing innovative avenues for accessibility and economic opportunities for all residents and businesses.

Contract Compliance

Quarter 3, 2015:
Report

Contract Compliance ensures that the entire community can participate in the economic life of the City of Saint Paul.

The City of Saint Paul Contract Compliance division of the Human Rights and Equal Economic Opportunity department ensures that the entire community can participate in the economic life of the City. Contract Compliance monitors workforce inclusion goals and business inclusion goals, and also monitors projects for compliance with federal, state and local prevailing wage laws on City and Saint Paul Housing and Redevelopment Authority (HRA) construction projects.

For construction projects, St. Paul sets goals of 32% minority hours and 6% women hours. Beyond Affirmative Action goals, St. Paul's HUD Section 3 program also monitors certain federally-funded projects for low-income new hire goals. Outside of construction projects, the City also monitors workforce utilization for all businesses that have contracts with the City in excess of \$50,000.00.

In addition to workforce goals, St. Paul also sets goals for participation by local small businesses, woman-owned businesses, minority-owned businesses, and Section 3 businesses. The Vendor Outreach Program monitors inclusion for local small, woman-owned, and minority-owned businesses. Section 3 enforces federal regulations requiring inclusion of businesses owned by low-income residents or employing a substantial number of low-income residents.

Table of Contents

Workforce Inclusion Monitoring..... **3**

 Affirmative Action 3

 Workforce Inclusion: Minority Participation 4

 Workforce Inclusion: Female Participation 5

 HUD Section 3 Hiring..... 6

Labor Standards Monitoring **7**

Business Inclusion Monitoring..... **8**

 Vendor Outreach Program..... 8

 Local Small Business Inclusion 9

 Local Small Woman-Owned Business Inclusion..... 10

 Local Small Minority-Owned Business Inclusion..... 11

 HUD Section 3 Business Inclusion 12

Workforce Inclusion Monitoring

The City of Saint Paul monitors workforce goals for inclusion of women and minorities under the City's Human Rights Ordinance, as well as low-income hiring goals under the federal HUD Section 3 program.

Affirmative Action/Equal Employment Opportunity (AA/EEO)

The City of Saint Paul's Human Rights Ordinance, § 184.04, requires every contractor or subcontractor whose total accumulated contract awards from the City of Saint Paul over the preceding twelve months meet or exceed \$50,000.00 to complete and submit an Affirmative Action Program Registration form along with a \$75.00 registration fee. In the third quarter, 2015, the City certified Affirmative Action plans for 112 businesses, and monitored Affirmative Action Plans from 837 businesses.

Construction contracts are monitored for workforce inclusion of minority and female residents. Both developers and general contractors are contractually responsible for ensuring that city-assisted construction projects achieve employment utilization goals. Employment utilization goals are 32% minority hours and 6% female hours.

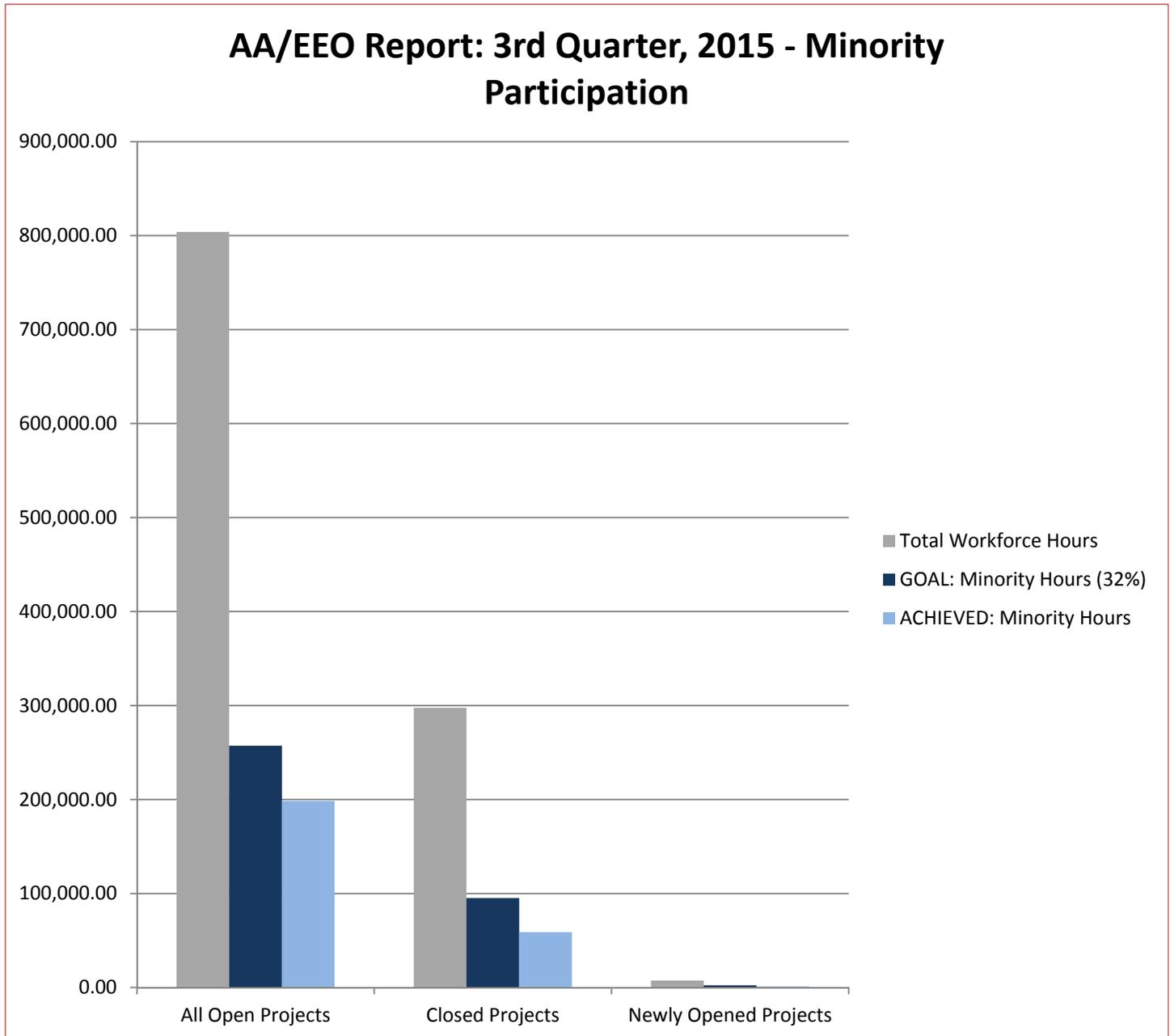
In the third quarter of 2015, AA/EEO closed out 36 projects and opened 9 new projects. Overall, AA/EEO monitored 64 construction projects totaling \$522,496,050.25 in construction contracts in the third quarter. A breakdown of AA/EEO goals by minority inclusion and female inclusion is displayed on the subsequent pages.

City of Saint Paul – Contract Compliance Quarterly Report

AA/EEO Workforce Inclusion: Minority Participation

The City’s goal is to achieve at least 32% minority hours on all projects. Contractors who fail to meet the City’s goals are required to make and document good faith efforts at achieving the 32% goal. The following numbers represent project totals for all projects, all closed projects, and all new projects as of the end of the third quarter.

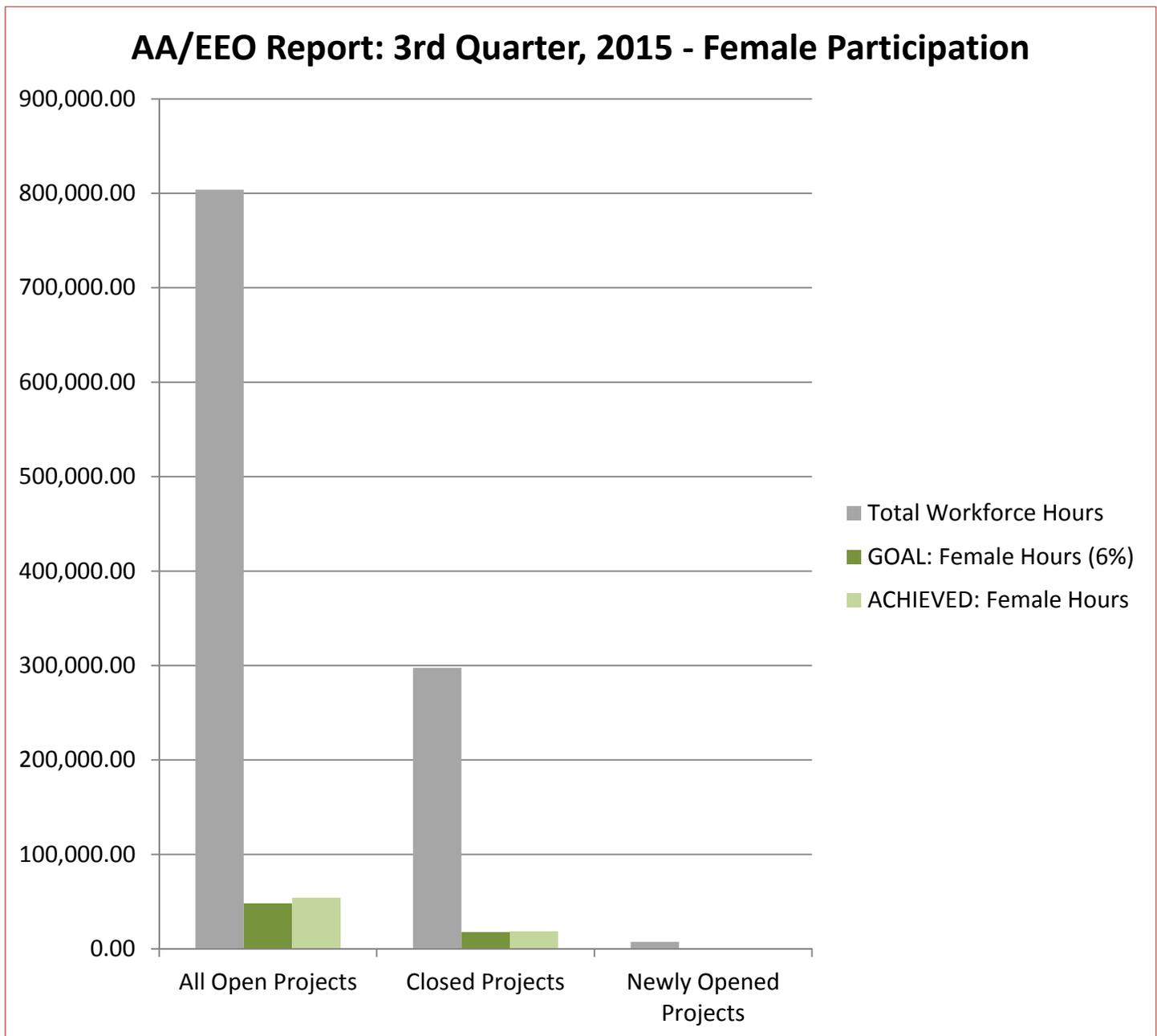
Project Status	Total Workforce Hours	GOAL: Minority Hours (32%)	ACHIEVED: Minority Hours
All Open Projects	803,891.44	257,245.26	198,566.34 (24.70%)
Closed Projects	297,598.82	95,231.62	58,864.15 (19.78%)
Newly Opened Projects	7,441.00	2,381.12	1,172.50 (15.76%)



AA/EEO Workforce Inclusion: Female Participation

The City’s goal is to achieve at least 6% female hours on all projects. Contractors who fail to meet the City’s goals are required to make and document good faith efforts at achieving the 6% goal. The following numbers represent project totals for all projects as of the end of the third quarter, as well as projects that began and ended in the third quarter.

Project Status	Total Workforce Hours	GOAL: Female Hours (6%)	ACHIEVED: Female Hours
All Open Projects	803,891.44	48,233.49	54,146.78 (6.74%)
Closed Projects	297,598.82	17,855.93	18,637.00 (6.26%)
Newly Opened Projects	7,441.00	446.46	621.75 (8.36%)



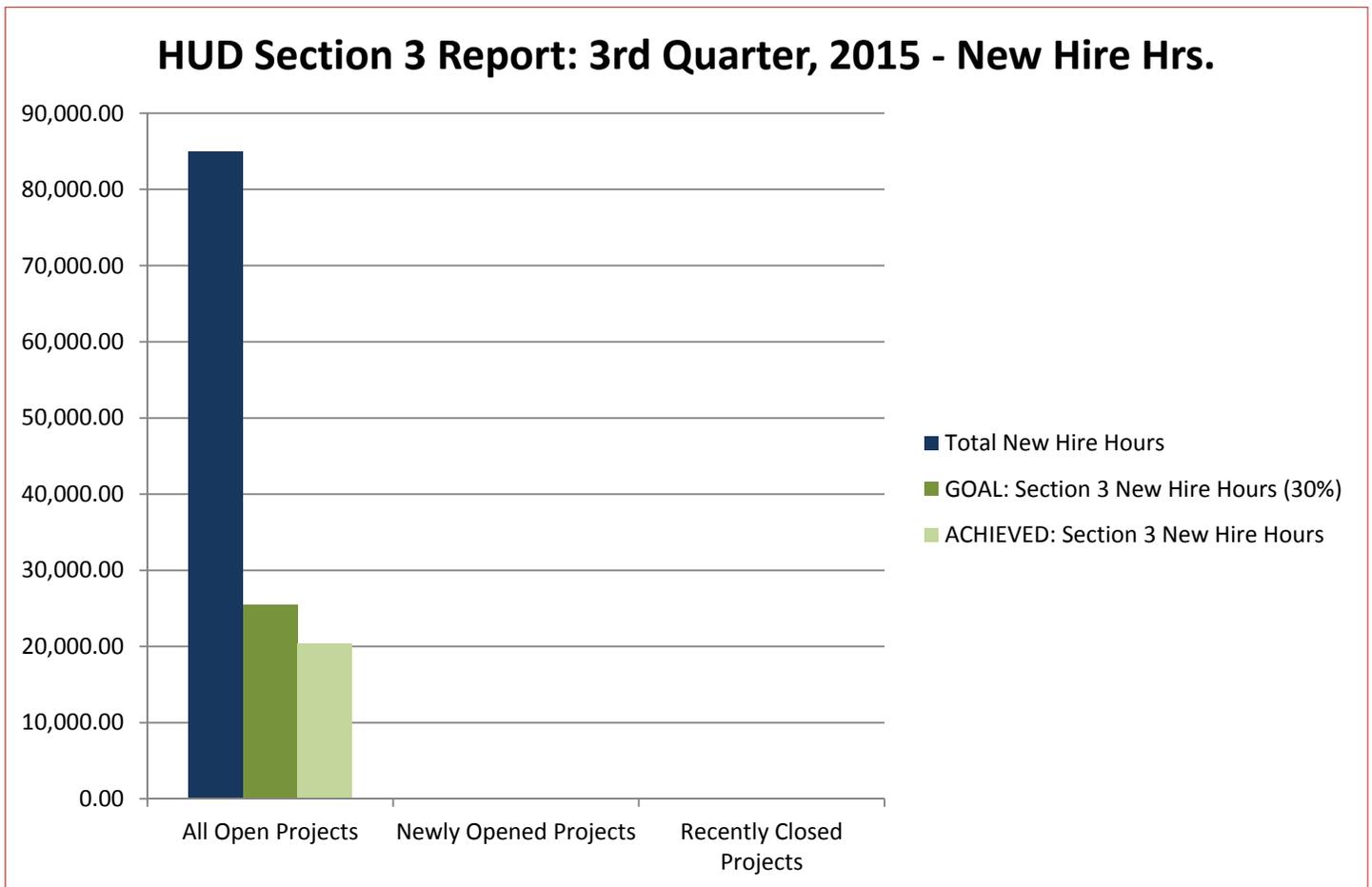
City of Saint Paul – Contract Compliance Quarterly Report

HUD Section 3: New Employment Opportunities for Low-Income Residents

The City receives grant funding from the Department of Housing and Urban Development (HUD) and therefore must ensure that new employment opportunities on HUD projects are filled with Section 3 residents to the greatest extent feasible. A Section 3 resident is a resident in Saint Paul or the surrounding area whose household income falls below HUD’s income thresholds¹. The City also ensures that all contractors and subcontractors on HUD projects who have a contract of more than \$100,000 fulfill Section 3 hiring requirements.

In the third quarter of 2015, Section 3 closed out 4 projects, opened 5 new projects, and continues to monitor 105 projects with Section 3 goals. The breakdown of hiring goals is provided below. The following numbers represent project totals for all projects as of the end of the third quarter, as well as projects that began and ended in the third quarter.

Project Status	Total New Hire Hours	GOAL: Section 3 New Hire Hours (30%)	ACHIEVED: Section 3 New Hire Hours
All Open Projects	84,956.19	25,486.86	20,379.00 (23.99%)
Newly Opened Projects	0.00	N/A	0.00
Recently Closed Projects	0.00	N/A	0.00



¹ The Section 3 income threshold is determined by a survey of the median household income in the Twin Cities metropolitan area. HUD’s income threshold is equal to 80% of the median household income for Twin Cities metropolitan area.

Labor Standards Monitoring

Contract Compliance enforces prevailing wages under both the Federal Davis-Bacon and the City of Saint Paul's Davis-Bacon ("Little Davis-Bacon") ordinance. The Federal Davis-Bacon Act requires all contractors and subcontractors working on federally-funded construction projects of \$2,000 or more to pay their workers at least the prevailing wage rate (as determined by the U.S. Department of Labor) for similar work on similar projects in the area. The Little Davis-Bacon City Ordinance requires all contractors and subcontractors performing work on city-funded (or state-funded) construction projects in excess of \$25,000 to pay their workers at least the prevailing wage rate (as determined by the Minnesota Department of Labor and Industry) similar work on similar projects in the area.

- **Total Project Activity:** In 2015, as of the end of the third quarter, the Labor Standards Division is monitoring 220 construction projects, in various stages of construction, with \$1,004,495,869.81 in total development costs.
- **Wages monitored:** In 2015, as of the end of the third quarter, Labor Standards has monitored \$36,967,507.19 in hourly wages and fringe benefits to onsite employees working 683,525.30 hours on City construction projects.
- **Restitution:** In 2015, as of the end of the third quarter, Labor Standards ordered \$54,398.75 in restitution for 155 onsite employees who were paid less than the prevailing wage.

Business Inclusion Monitoring

The City of Saint Paul monitors business inclusion goals for local small, woman-owned, and minority-owned businesses under the Vendor Outreach Program, as well as low-income businesses under the City's HUD Section 3 program.

Vendor Outreach Program: Business Opportunities for Local Small Businesses

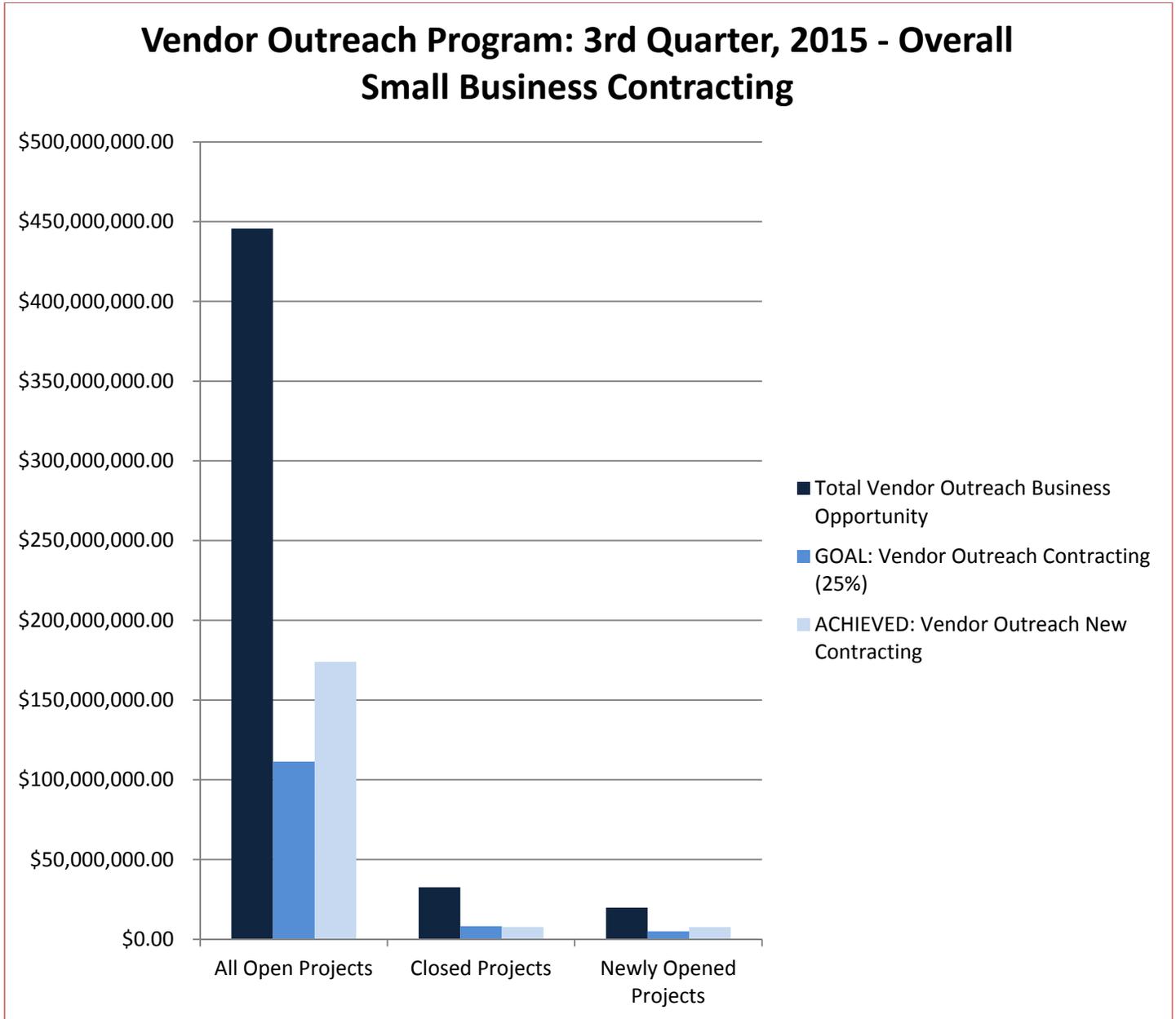
The Vendor Outreach Program (VOP) seeks to improve access in the marketplace for small businesses, minority-owned businesses, and woman-owned businesses. VOP sets a goal of 25% small business participation, comprised of:

- 5% Minority-owned Business Enterprise (MBE) participation;
- 10% Woman-owned Business Enterprise (WBE) participation;
- 10% Small Business Enterprise (SBE) participation.

In the third quarter of 2015, VOP monitored 343 projects, with 36 new projects opening and 9 projects closing. A breakdown of VOP achievements pertaining to the various VOP goals is displayed below. The following numbers represent project totals for all projects as of the end of the third quarter, as well as projects that began and ended in the third quarter.

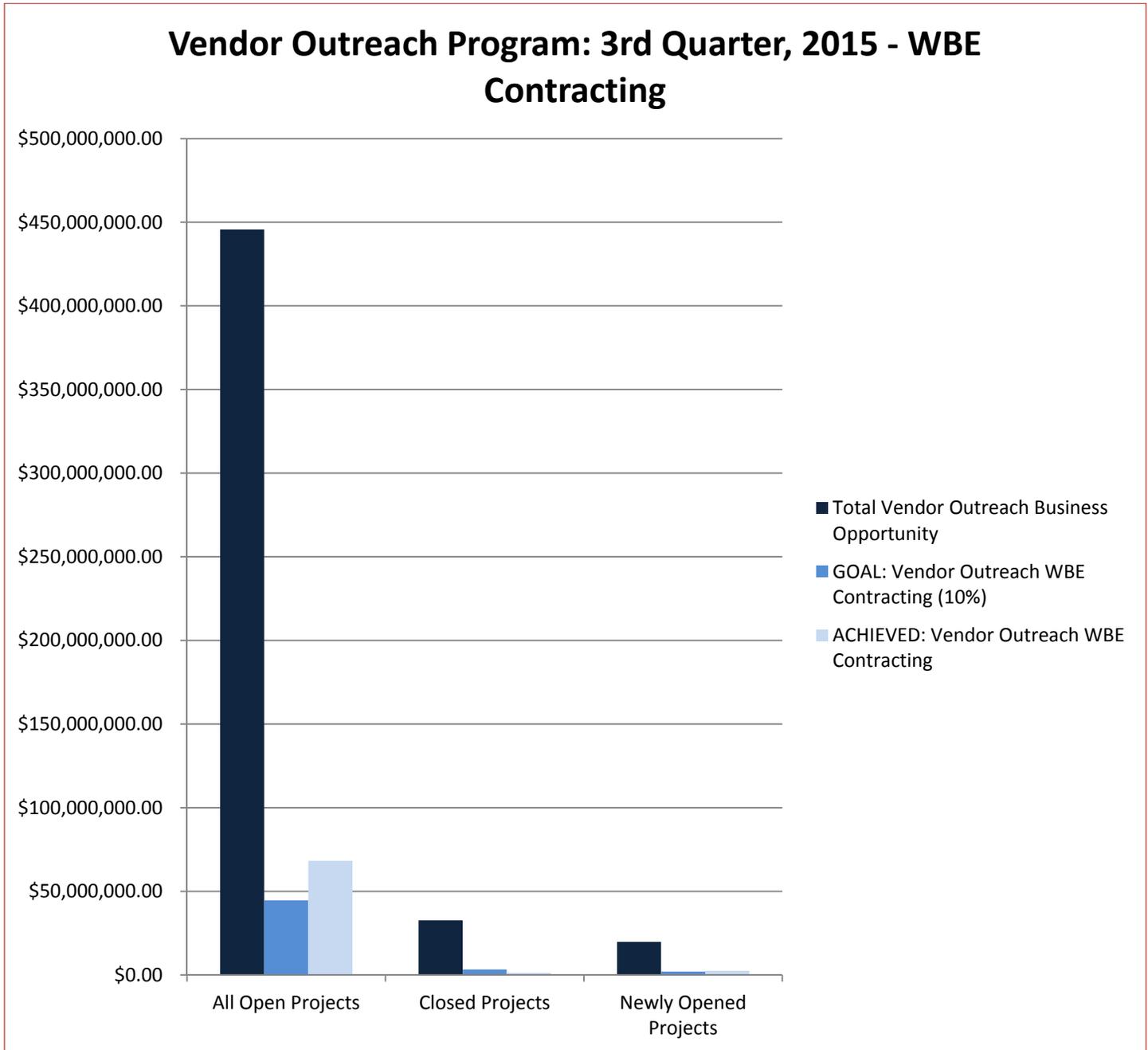
Vendor Outreach Program: Local Small Business Contracting

Project Status	Total Vendor Outreach Business Opportunity	GOAL: Vendor Outreach Contracting (25%)	ACHIEVED: Vendor Outreach New Contracting
All Open Projects	\$445,674,486.95	\$111,418,621.74	\$174,025,912.27 (39.04%)
Closed Projects	\$32,647,062.28	\$8,161,765.57	\$7,688,226.59 (23.55%)
Newly Opened Projects	\$19,820,772.24	\$4,955,193.06	\$7,661,593.20 (38.66%)



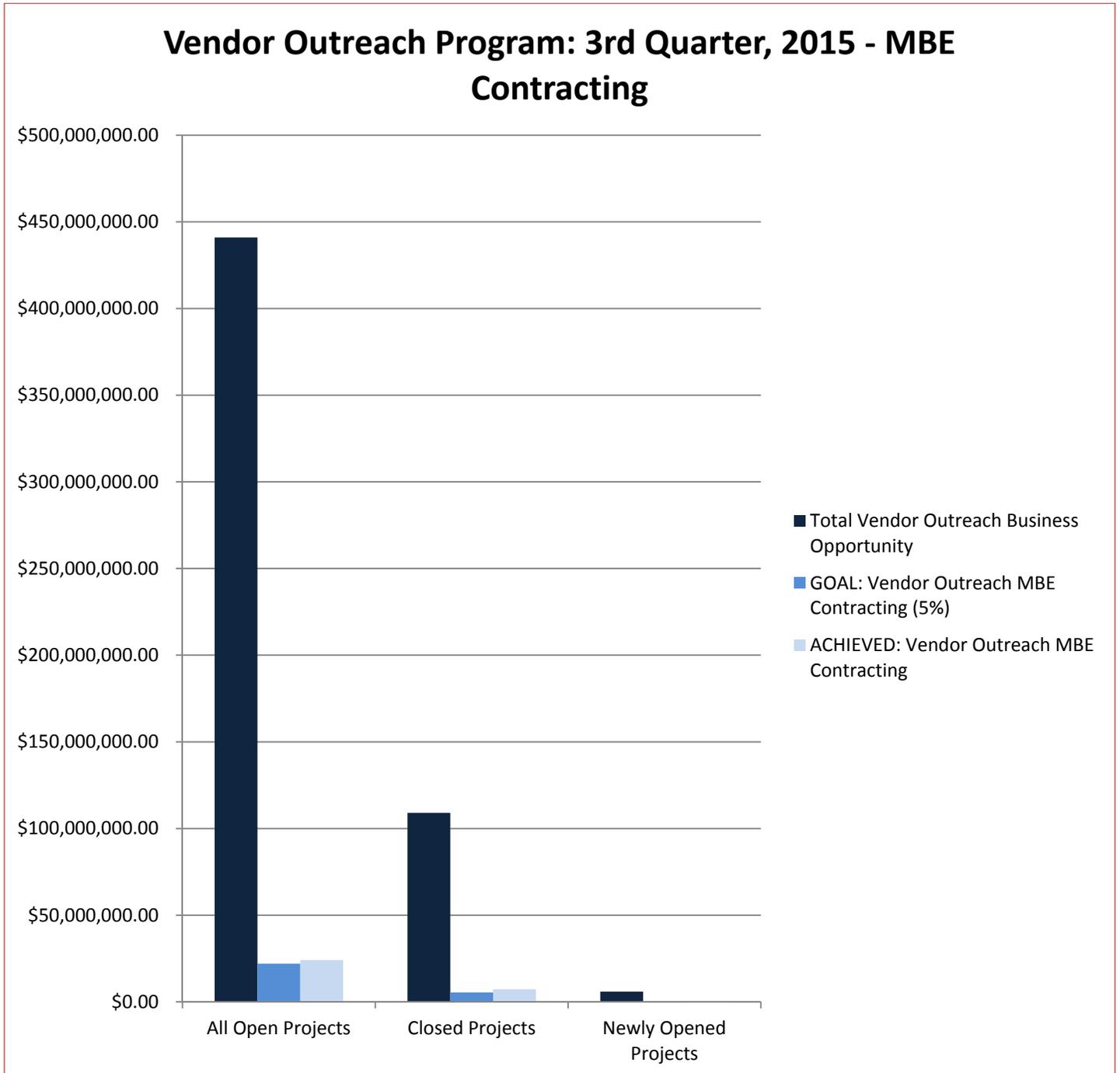
Vendor Outreach Program: Small Business Inclusion – Woman-Owned Business Enterprises (WBE) Contracting

Project Status	Total Vendor Outreach Business Opportunity	GOAL: Vendor Outreach WBE Contracting (10%)	ACHIEVED: Vendor Outreach WBE Contracting
All Open Projects	\$445,674,486.95	\$44,567,448.70	\$68,217,688.47 (15.31%)
Closed Projects	\$32,647,062.28	\$3,264,706.23	\$1,324,762.59 (4.06%)
Newly Opened Projects	\$19,820,772.24	\$1,982,077.22	\$2,465,996.70 (12.44%)



Vendor Outreach Program: Small Business Inclusion – Minority-Owned Business Enterprises (MBE) Contracting

Project Status	Total Vendor Outreach Business Opportunity	GOAL: Vendor Outreach MBE Contracting (5%)	ACHIEVED: Vendor Outreach MBE Contracting
All Open Projects	\$445,674,486.95	\$22,283,724.35	\$25,860,692.83 (5.80%)
Closed Projects	\$32,647,062.28	\$1,632,353.11	\$207,859.00 (0.64%)
Newly Opened Projects	\$19,820,772.24	\$991,038.61	\$600,447.00 (3.03%)



City of Saint Paul – Contract Compliance Quarterly Report

HUD Section 3: Business Opportunities for Local Low-Income Businesses

The City receives grant funding from the Department of Housing and Urban Development (HUD) and therefore must ensure that contracting opportunities on HUD projects are awarded to Section 3 businesses to the greatest extent feasible. A Section 3 business is a business in Saint Paul or the surrounding area which is either owned by a Section 3 resident or employs a substantial number of Section 3 residents. A Section 3 resident is a person in Saint Paul or the surrounding area whose household income falls below guidelines defined by HUD. The City also ensures that all contractors and subcontractors on HUD projects that have a contract of more than \$100,000 fulfill Section 3 contracting requirements.

In the third quarter of 2015, Section 3 closed out 4 projects, opened 5 new projects, and overall monitored 106 projects with Section 3 goals. The breakdown of contracting goals is provided below. The following numbers represent project totals for all projects as of the end of the third quarter, as well as projects that began and ended in the third quarter.

Project Status	Total Section 3 Business Opportunity	GOAL: Section 3 Contracting	ACHIEVED: Section 3 Contracting
All Open Projects	\$146,467,115.18	\$14,646,711.52	\$25,643,244.12 (17.50%)
Closed Projects	\$372,450.00	\$37,245.00	\$372,450.00 (100%)
Newly Opened Projects	\$37,827,045.49	\$3,782,704.55	\$2,552,986.49 (6.75%)

