



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 1, 2016:
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.

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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)

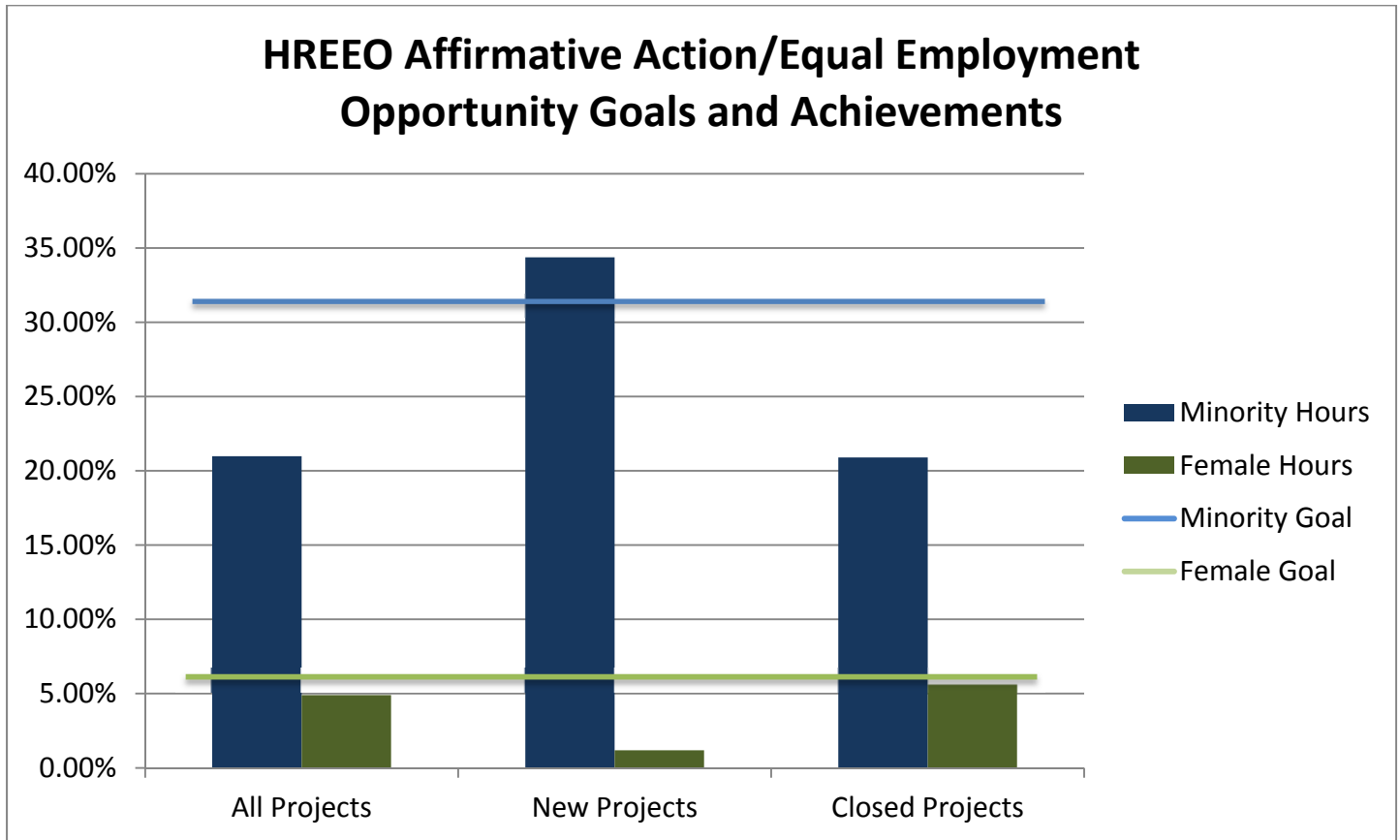
The City of Saint Paul’s Human Rights Ordinance, § 184.04, requires every business whose total contract awards from the City of Saint Paul over the preceding twelve months meet or exceed \$50,000.00 to submit an Affirmative Action Program Registration form along with a \$75.00 registration fee. In the first quarter, 2016, the City certified Affirmative Action plans for 70 businesses, and monitored Affirmative Action Plans from 685 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 first quarter of 2016, AA/EEO closed out 10 projects and opened 5 new projects. Overall, AA/EEO monitored 36 construction projects totaling \$427,420.43 in construction contracts in the third quarter. A breakdown of AA/EEO goals by minority inclusion and female inclusion is displayed on the next page.

AA/EEO Workforce Inclusion: Minority Participation

The City’s goal is to achieve at least 32% minority hours and 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 goals. The following numbers represent project totals for all projects, all closed projects, and all new projects as of the end of the first quarter.

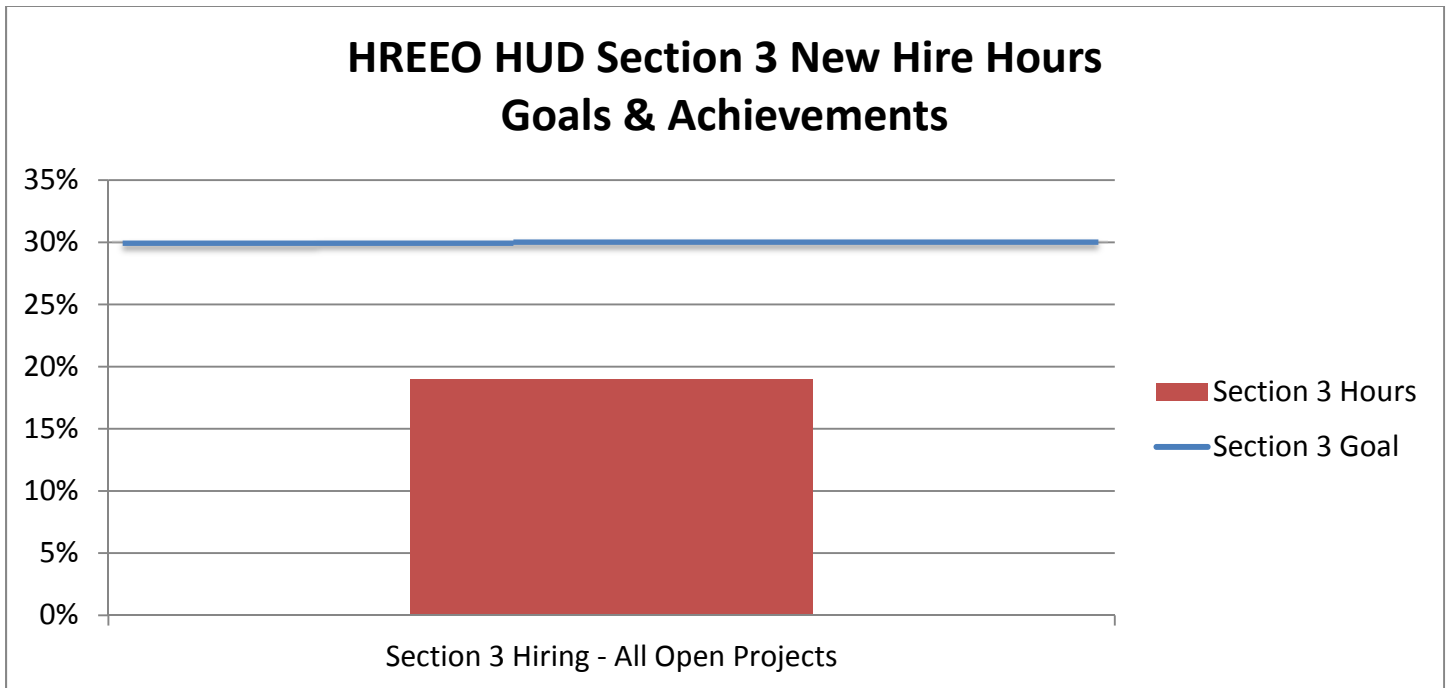


	All Projects		New Projects		Closed Projects	
Total Workforce Hours	844,296.05		1,353.75		62,180.28	
	Hours	%	Hours	%	Hours	%
ACHIEVED: Minority Workforce Hours	177,140.30	20.98%	465.25	34.37%	12,997.80	20.90%
GOAL: Minority Workforce Hours	270,174.74	32.00%	433.20	32.00%	19,897.69	32.00%
ACHIEVED: Female Workforce Hours	41,389.85	4.90%	16.00	1.18%	3,508.22	5.64%
GOAL: Female Workforce Hours	50,657.76	6.00%	81.23	6.00%	3,730.82	6.00%

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 first quarter of 2016, Section 3 closed out 1 project, opened 18 new projects, and continues to monitor 129 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 first quarter. There was no hiring activity on projects opened or closed in the first quarter.



	All Projects		New Projects		Closed Projects	
Total new hire hours	113,316.30		0.00		0.00	
	Hours	%	Hours	%	Hours	%
Achieved: Section 3 New Hire Hours	21,692.50	19.14%	0.00	N/A	0.00	N/A
Goal: Section 3 New Hire Hours	33,994.89	30.00%	0.00	30.00%	0.00	30.00%

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) for similar work on similar projects in the area.

- **Total Project Activity:** In 2016, as of the end of the first quarter, the Labor Standards Division is monitoring 166 construction projects, in various stages of construction, with \$799,777,876.76 in total development costs.
- **Wages monitored:** In 2016, as of the end of the first quarter, Labor Standards has monitored \$11,873,556.00 in hourly wages and fringe benefits to onsite employees working 220,010 hours on City construction projects.
- **Restitution:** In 2016, as of the end of the first quarter, Labor Standards has ordered \$39,796.11 in restitution for 32 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 businesses, including small woman-owned and small minority-owned businesses, under the Vendor Outreach Program, as well as low-income businesses under the City's HUD Section 3 program.

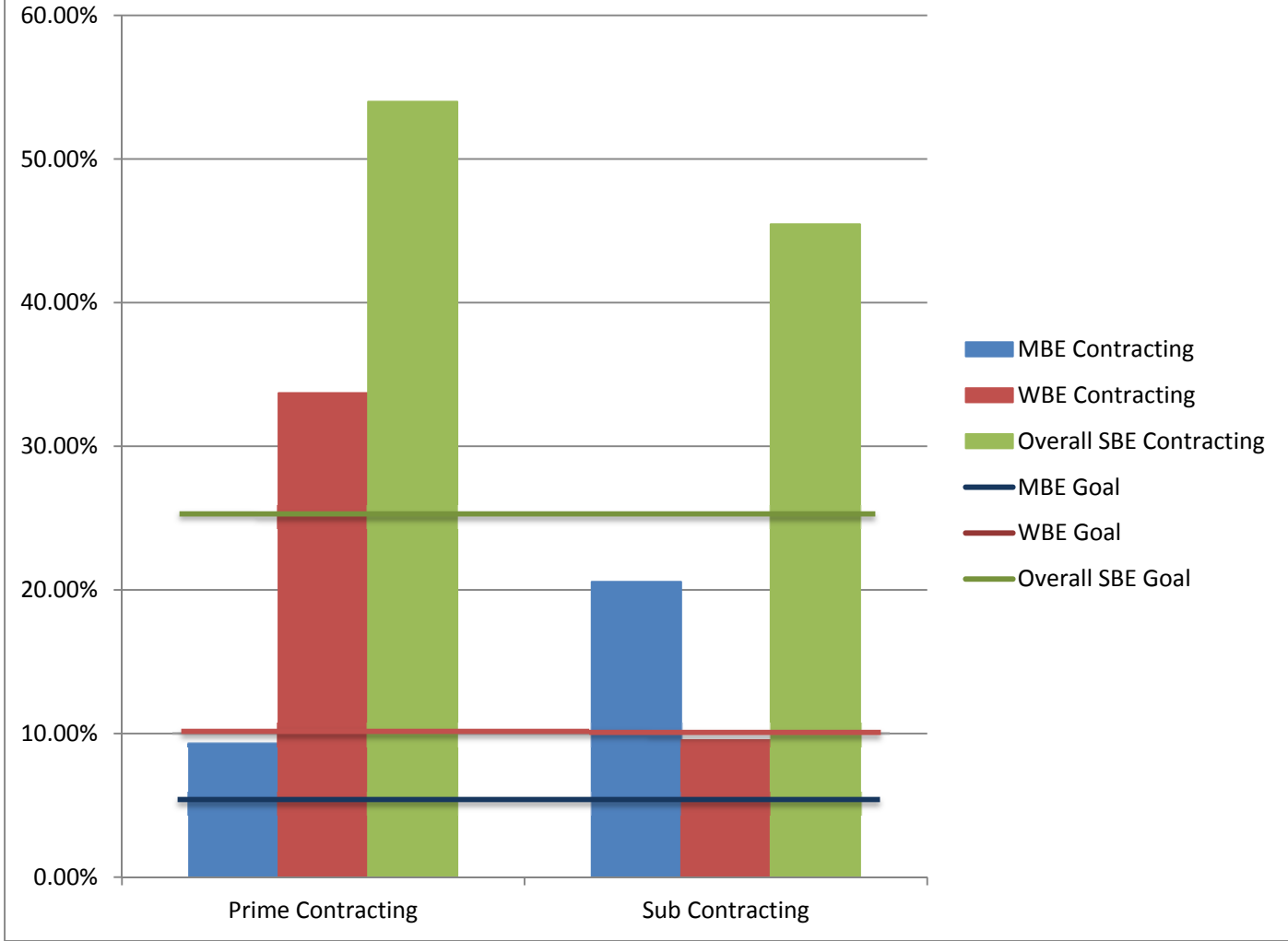
Vendor Outreach Program: Business Opportunities for Local Small Businesses

The Vendor Outreach Program (VOP) seeks to improve access in the marketplace for small businesses, minority-owned businesses, and woman-owned businesses. VOP sets the following goals for business participation:

- 5% Small Minority-owned Business Enterprise (S/MBE) participation;
- 10% Small Woman-owned Business Enterprise (S/WBE) participation;
- 25% overall Small Business Enterprise (SBE) participation.

In the first quarter of 2016, VOP monitored 322 projects, with 20 new projects opening and 91 projects closing. A year-to-date breakdown of VOP achievements pertaining to the various VOP goals is displayed below. These numbers represent contracting activity from the beginning of 2016 through the end of the most recent quarter.

HREEO Vendor Outreach Program Goals and Achievements

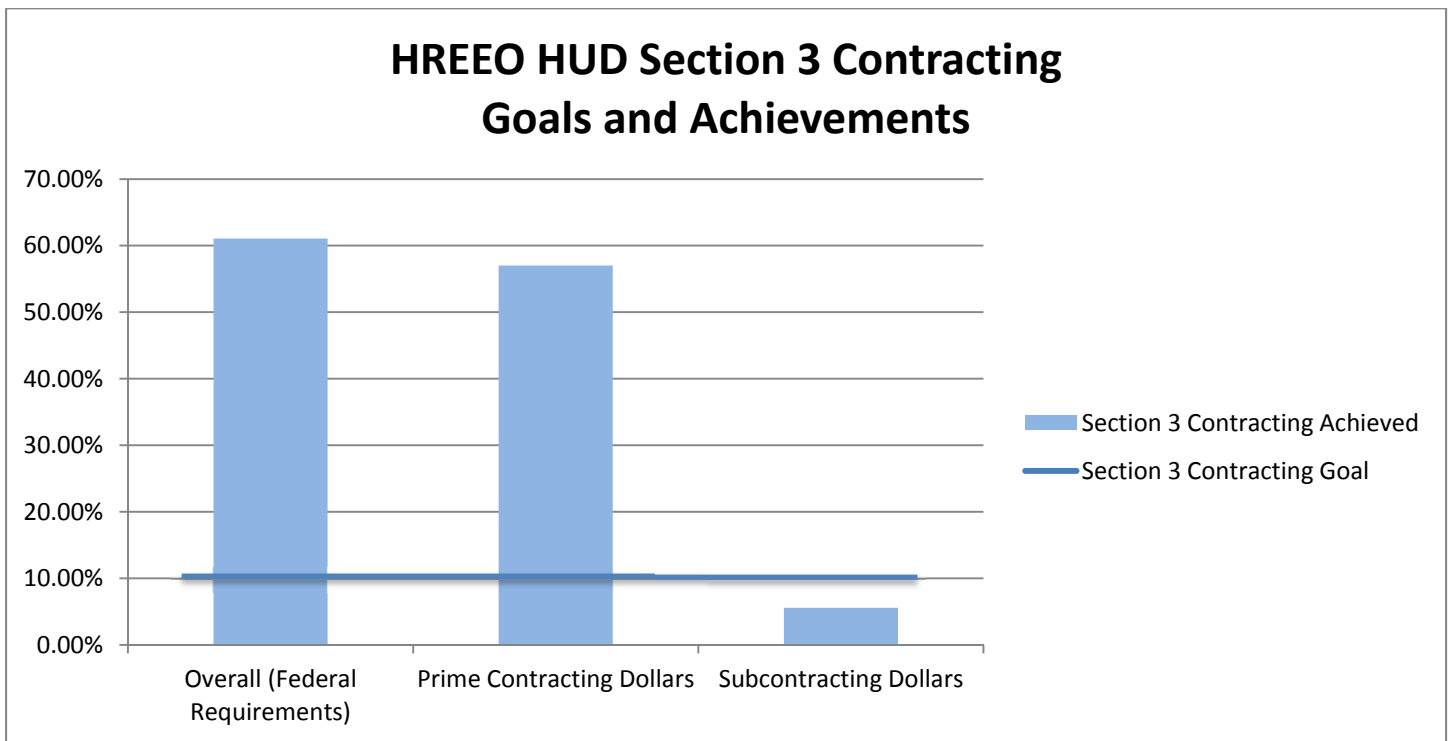


		Prime Contracts		Subcontracts	
Contracting through first quarter, 2016	Total Opportunity	\$2,089,501.85		\$266,855.01	
		Dollars	%	Dollars	%
Small Minority-Owned (MBE) Contracting	Goal	\$104,475.09	5.00%	\$13,095.70	5.00%
	Achieved	\$194,900.00	9.33%	\$54,876.00	20.56%
Small Women-Owned (WBE) Contracting	Goal	\$208,950.19	10.00%	\$26,685.50	10.00%
	Achieved	\$704,225.00	33.70%	\$25,500.00	9.56%
Overall Small Business (SBE) Contracting	Goal	\$816,074.75	25.00%	\$66,713.75	25.00%
	Achieved	\$1,128,177.00	53.99%	\$121,307.08	45.46%

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

The City of Saint Paul receives grant funding from the Department of Housing and Urban Development (HUD). By receiving this funding, the City 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 first quarter of 2016, Section 3 closed out 1 project, opened 18 new projects, and continues to monitor 129 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.



Total Section 3 Opportunity	Overall (Federal Requirements)		Prime Contracts Only		Subcontracts Only	
	Dollars	%	Dollars	%	Dollars	%
Section 3 Contracting Goal	\$38,957.90	10.00%	\$38,957.90	10.00%	\$28,268.07	10.00%
Section 3 Contracting Achieved	\$237,867.00	61.06%	\$222,080.00	57.01%	\$15,787.00	5.58%