MODEL CITIES RESIDENT EMPLOYMENT REQUIREMENTS

CDA LETTER #

I. General Policy

Section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966 requires the model cities to provide "maximum opportunities for employing residents of the area in all phases of the program and enlarged opportunities for work and training" and to develop programs which will result in "marked progress in reducing underemployment and enforced idleness."

This CDA Letter sets forth HUD requirements in implementation of this provision. It is a basic policy objective that employment opportunities generated by the comprehensive city demonstration program be filled by model neighborhood residents. The requirements of this letter apply to employment generated by the comprehensive city demonstration program, including the following categories:

a. Employment generated by Model Cities supplemental funds or by other types of Federal assistance, both in publicly or privately sponsored activities.

b. Employment generated by other funds and resources for activities included in the comprehensive city demonstration program.

II. Submission Requirements--General

It is the responsibility of the city (or county) government submitting a comprehensive city demonstration program to implement, or to assure the implementation of, these requirements. Detailed information on such implementation is required in applications for Model Cities supplemental funding and such information shall be consolidated within a single section of the application. This section shall describe all employment to be generated by the comprehensive city demonstration program and the hiring and training systems which will assure the placement of model neighborhood residents in these jobs. The section will also show the relationship of resident employment programs to other aspects of the comprehensive city demonstration program, such as health or other supportive services, economic development, transportation, etc.

All applications requesting Model Cities supplemental funds must show evidence that:

a. It is the policy of the city, as concurred in by the chief executive and/or the city council or county governing body and by the Model Cities citizen participation unit that preference will be given to residents of the model neighborhood in

filling all jobs generated through the comprehensive city demonstration program. The full text of such policy shall be included in the city's application.

b. The city policy has been published and disseminated with sufficient time for public response prior to the submission of the comprehensive city demonstration program, and will be available thereafter for public inspection.

c. Public and private agencies which have the resources, responsibility, and employment opportunities to implement the city's resident employment policy have been meaningfully involved in planning and coordinating the model city employment and training plan. Such agencies have agreed to set goals and to establish quantitative commitments relating to those goals in terms of training and placement opportunities, upgrading opportunities, union membership, etc., as necessary in order to meet the statutory requirements quoted above.

d. The training and employment system or systems are workable and enforceable and that they will assure preference in employment for model neighborhood residents. Such a system or systems will include provisions for the recruitment, selection and placement of model neighborhood residents in jobs generated by the comprehensive city demonstration program, on-the-job training and upgrading opportunities in both public and private agencies, including the transferability of qualifications and credits for experience between such agencies; the removal of identified impediments to the hiring and upgrading of disadvantaged model neighborhood residents; and the provision of trade union participation and membership or alternative methods of assuring continued or improved employment opportunity in construction or other employment within or beyond the model neighborhood area. In implementing these objectives, full and appropriate utilization will be made of existing institutions to the degree that there is capability and commitment to meet the goals and objectives of the comprehensive city demonstration program.

e. There is adequate and workable administrative machinery within the CDA and/or city government to coordinate and implement the resident employment and training policies and systems, including the provision of adequate funds and staff, and to link these systems effectively with other program systems. A workable evaluation and reporting system will be included in the administrative structure, and a procedure for receiving grievances arising out of the implementation of of the program.

f. The city has developed a specific program to provide persons entering subprofessional or other entry-level job categories (a) sufficient training and other services to enable them to move upward into increasingly higher level positions and (b) assurances that there will be no unnecessary impediments to such mobility inherent in the applicable merit or other promotion system.

III. Role of Residents

The city policy and program must include procedures to enable model neighborhood residents to (1) review the equity and effectiveness of the city policy and employment program that has been developed, and (2) negotiate for adjustments in the policy and (3) participate in the resolution of grievances arising out of the implementation of the program.

The roles of model neighborhood residents in monitoring, evaluating, resolving grievances and assisting in the operation of the system shall be clearly delineated.

IV. Submission Requirements--Construction and Rehabilitation Employment

In addition to the foregoing requirements, each application will show, in regard to construction employment:

a. That the city resident employment and training policy covers all crafts and positions related to construction and rehabilitation, including foremen, superintendents and construction truck drivers, as well as such occupations as architects, engineers, draftsmen, etc. The policy should include provision for establishing specific and quantifiable goals and commitments for hiring and training residents in each construction craft and other relevant occupation; and provision for preference for all building contractors (a) based in, or substantially doing business in, the model neighborhood or (b) employing a significant proportion of model neighborhood residents at all levels in their work force. Similar preference shall be given to other area construction-related firms such as designers, planners, architects and surveyors which come within the above categories.

b. That a specific recruitment, training and hiring program to prepare neighborhood residents for work on all projected construction projects in the model neighborhood has been developed by the city in concert with residents and all other relevant groups. And agreement entered into pursuant to the program must in no way limit hiring or training opportunities for residents to certain crafts or categories of construction, nor be otherwise inconsistent with the city program.

c. That the city resident employment policy will be reflected in the city bid specifications and in requirements for sponsors of any FHA insured projects included in the comprehensive city demonstration program, and that successful bidders must agree to cooperate with the city employment policy and training programs and meet such quantified minimum hiring and training goals in each craft and related occupation as are determined by HUD, in consultation with the city, for each community. The city is expected to implement the employment policy diligently and to utilize all projected construction activity as a basis of a comprehensive training and hiring system. Failure to meet the goals established could result in suspension or termination of HUD support of the city's comprehensive demonstration program.

V. Applicability

a. Where a city's application has been approved for funding or where the city's application has been filed or is expected to be filed by _____, 1969, the city shall submit to HUD by _____, 1970, a supplemental application showing evidence that its employment program conforms in all respects to these requirements and describing the administrative machinery that has been established to implement the program.

b. A comprehensive city demonstration program which is expected to be filed after _____, 1970, must include these requirements as part of the initial submission.

VI. Inclusion of Policy Statement in Comprehensive City Demonstration Program

The city policy required to be adopted pursuant to section II of this Letter must be incorporated into the comprehensive city demonstration program when it is approved by the governing body.

VII. Compliance

a. In the case of cities governed by section V(a), failure of the city to submit an approvable supplement to its application shall be a basis for suspension or termination of the grant agreement.

b. In the case of all other cities failure of the city to submit an approvable application which conforms to these requirements shall be a basis for disapproval of the comprehensive city demonstration program.

c. Failure of any city to carry out an approved plan shall be a basis for suspension or termination of the grant agreement.