

Equal Opportunity & Accessibility

CDBG/HOME Guidebook



Section G

OVERVIEW OF FEDERAL REGULATORY REQUIREMENTS

In addition to the rules and requirements for HOME and CDBG, there are other additional broad Federal rules that must be followed. The Federal requirements in this section address non-discrimination and equal access to programs and projects funded with HOME or CDBG. Grant recipients must ensure that no persons or group is denied project benefits or employment, training, business, contracting or housing opportunities based on race, national origin, religion, color, sex, age, or handicap.

Fair Housing and Equal Opportunity

No person in the United States shall on the grounds of race, color, national origin, religion or sex be excluded, denied benefits or subjected to discrimination under any program funded in whole or in part by CDBG or HOME funds. This applies to employment and contracting, as well as to marketing and selection of program participants.

- Title VI of the Civil Rights Act of 1964: No person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal assistance based on race, color or national origin (24 CFR Part 1).
- Equal Opportunity in Housing: Prohibits discrimination against individuals based on race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds (24 CFR Part 107).
- Age Discrimination Act of 1975: Prohibits age discrimination in programs receiving Federal financial assistance (24 CFR Part 146).

Any grant recipient that receives CDBG or HOME funds must have a written and adopted policy of non-discrimination and equal opportunity. This policy should cover employees, volunteers and program participants.

- The Fair Housing Act: Prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person based on race, color, religion, sex, national origin, handicap or familial status (24 CFR Part 100-115). The Fair Housing Act covers most housing, with a few exceptions. If your project is for housing your organization will want to be aware of requirements under the Fair Housing Act and develop appropriate policies to ensure compliance. **See Appendix 3** for additional information on the Fair Housing Act.
- Violence against Women Reauthorization Act of 2013: Extends the basic protections (e.g. no eviction or termination due to a tenant's status as a victim of domestic violence) to tenants residing in HOME-assisted housing.

Grant recipients that receive HOME funds for housing projects with 5 or more HOME assisted units must have an affirmative marketing plan. This plan should address:

1. Methods for informing tenants about fair housing laws;
2. A description of what will be done to affirmatively market the housing;

3. A description of what the property owner/manager will do to inform persons not likely to apply for housing without special outreach;
4. Maintenance of records to document actions taken to affirmatively market the housing and assess marketing effectiveness.

Handicapped Accessibility

- Americans with Disabilities Act: Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The Act, also referred to as the ADA, also states that discrimination includes the failure to design and construct facilities that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.
- Section 504 of the Rehabilitation Act of 1973: Section 504 of the Rehabilitation Act of 1973 prohibits discrimination in federally assisted programs based on handicap. Section 504 imposes requirements to ensure that “qualified individuals with handicaps” have access to programs and activities that receive Federal funds.
 - ✓ For any grant recipient principally involved in housing or social services, **all** activities of the agency – not just those directly receiving Federal assistance – are covered under Section 504.
 - ✓ Contractors and vendors are subject to Section 504 requirements only in the work they do on behalf of a grant recipient.
 - ✓ Under Section 504, grant recipients are not required to take actions that create undue financial and administrative burdens or alter the fundamental nature of the program.

The specific requirements under Section 504 are summarized in **Appendix 3**.

Equal Opportunity for Employment and Contracting

CDBG and HOME require compliance with the regulations discussed below governing employment and contracting opportunities. These concern equal opportunity, labor requirements and contracting/procurement procedures.

- Equal Employment Opportunity: Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex or national origin. Provisions to effectuate this prohibition must be included in all construction contracts exceeding \$10,000. (41 CFR Part 60)
- Minority/Women’s Business Enterprise: Requires outreach to include, to the maximum extent possible, minority and women owned businesses in contracting. (24 CFR 85.36(e)).

Section 3 Preference

Section 3 of the Housing and Urban Development Act of 1968 is HUD’s legislative directive for providing preference to low- and very low-income residents of the local community and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. As a condition of receiving more than \$200,000 of HUD Community Development Block Grant (CDBG)

and/or HOME Investment Partnership (HOME) funds, grant recipients must comply with the requirements of Section 3 if the funding will be invested into a project involving **housing construction, demolition, rehabilitation, or other public construction – i.e., roads, sewers, community centers, etc.** The project is the site or sites together with building(s) and improvements located on the site(s) that are under common ownership, management, and financing. The requirements apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted with CDBG or HOME.

Section 3 sets a benchmark goal for projects to have 25% of workers qualify as a Section 3 workers which means they have income below 80% of area median income (as published annually by HUD), or are employed by a Section 3 Business or a YouthBuild participant.

For more information on compliance with Section 3 requirements, including how to demonstrate compliance, see **Appendix 2**.