

**CITY OF BUFFALO**

**BUFFALO ECONOMIC RENAISSANCE CORPORATION (BERC)**

**COMMERCIAL AREA REVITALIZATION EFFORT**

**(CARE)**

**PROGRAM MANUAL**

**February 17, 2005**



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## **COMMERCIAL AREA REVITALIZATION EFFORT INTRODUCTION**

The Commercial Area Revitalization Effort (CARE) is a comprehensive program designed to rehabilitate and renovate retail and commercial properties in targeted economically distressed areas in the City of Buffalo. It operates through a partnership between neighborhood residents, merchants, the City of Buffalo, and Buffalo Economic Renaissance Corporation (BERC). The CARE Program facilitates economic development of targeted areas by providing low interest loans (up to \$300,000), grants (façade & security), matching investment, technical assistance for planning, workforce and organizational development, marketing, assistance with permits, public improvements, market studies, design assistance and business recruitment.

The BERC will implement the CARE Program in cooperation and coordination with City of Buffalo Departments of Finance, Public Works, Police, Buffalo Urban Renewal Agency and other city agencies. Local business Community Based Organizations (CBO), civic, and business associations are also encouraged to participate.

Currently the CARE Program is targeted for the commercial areas within or directly adjacent to the 11 targeted areas in the “Livable Communities Initiative”, Comprehensive Code Enforcement areas.

**All Participants in this program are required to be current with property taxes, federal and state income taxes, property taxes, garbage user fee, water and sewer bills, and all other applicable taxes.**

### **CARE PROGRAM KEY ELEMENTS**

The CARE Program is designed to promote and revitalize older neighborhood commercial corridors in the City of Buffalo. It provides financial and technical assistance to owners and tenants of buildings with street level commercial retail space.

The elements of the CARE program are:

- Involve Community Residents in Partnership
- Involve Merchants in Partnership
- Solicit Local Area Market Study
- Implement Storefront Façade Program
- Provide Building Rehabilitation Incentives
- Encourage Residential Improvements in the CARE Area and Surrounding Community.
- Prepare Revitalization Plan
- Design Area Retail/Commercial Signage
- Establish Clean-up Campaign
- Provide Small Business Loans
- Develop Area Crime Prevention Strategy
- Provide Security Grant Incentives
- Develop Business Attraction/Retention Program

## **DETAILS ON CARE PROGRAM KEY ELEMENTS**

### **CARE Technical Assistance**

The CARE Program is based on creating an effective partnership between the City, merchants and residents. Working within the established framework of the Business Association is essential for the revitalization partner. The major task will be the preparation and/or implementation of a comprehensive economic revitalization plan for the CARE area.

### **Operation FACELIFT**

In order to stabilize commercial corridors in distressed areas, an immediate, small but very visible public investment must often be made to create a level of confidence to encourage private investment to take place. Operation FACELIFT accomplishes this through funding for the removal of deteriorating signage and supportive structures, repair and replacement of broken windows and frames, scraping and painting of building facades, and boarding up of open vacant buildings. Each storefront in CARE area having such a need will receive a maximum grant of \$2,000.

### **Revitalization Plan**

BERC has a contract with Peter J. Smith which will provide a comprehensive marketing and revitalization plan containing all elements necessary to stimulate economic revitalization of the CARE area will be developed and implemented by the CARE Program Manager.

### **Market Study**

A market study will be prepared in coordination with participating CARE Technical Assistant to assess the business potential of the area and to determine the kinds and number of businesses that might be required to service the needs of people who reside in or frequent the area. An existing market study, no more than one year old, may be used when available.

### **Marketing Program & CARE Theme**

To attract and retain shoppers in the CARE area, a cooperative marketing program an overall theme will be developed. This will assist in establishing promotional venues for the area.

### **Storefront Facade Program**

Storefront facade rebates are provided in recognition of the significant impact storefront improvements have on the appearance and vitality of neighborhood commercial corridors. In order to encourage the rehabilitation of the exterior of buildings along the commercial corridor, the BERC will rebate up to 50% of the cost of eligible storefront improvements, up to a maximum of \$8,000 per storefront.

### **Security Grant Program**

In cooperation with the City of Buffalo's Police Department, a Commercial Area Security Survey will be conducted. The BERC will rebate 50% of the cost, up to \$3,000 for installation and implementation of recommended security devices and improvements on individual properties.

### **Business Assistance Program**

Managerial and technical assistance will be made available to CARE area merchants through the BEREC and its partners, to promote the development and use of improved business practices. Training programs designed to provide business planning, marketing, accounting, inventory control and finance skills to small businesses will be made available to CARE area businesses in cooperation with the Apollo Small Business Resource Center, 1346 Jefferson Avenue and Small Business Development Center counselors.

### **Employment Program/Workforce Development**

This program is designed to match the employment needs of small business owners with qualified candidates offered through New York State Department of Labor, Buffalo Employment Training Center and the Workforce Investment Board.

### **Business Loan Program**

Minor, Moderate, and Substantial rehabilitation loans will be made available for improvements to real estate. Minor rehabilitation projects loans are \$25,000 to \$125,000. Moderate rehabilitation projects loans are \$125,001 to \$200,000, and Substantial rehabilitation loans are those exceeding \$200,000. See page (11) for a detailed description of Minor, Moderate and Substantial loan participation requirements. (Please note these loans are for rehabilitation work only. Please contact your CARE Program Manager for information on loans for property acquisition or business operating cost.)

### **Corridor Signage Program**

In order to create a new identity for the targeted CARE area, banners, or other appropriate promotional items, will be hung along the streetscape or other appropriate areas with the appropriate City approval. The BEREC will provide a maximum matching grant of \$5,000 to the area business association for the design, fabrication, and installation of commercial area promotional items in the targeted CARE area. The corridor signage grant is available one time only.

### **Crime Prevention Strategy**

Merchants in CARE areas must commit to a working partnership with the surrounding residents and the City of Buffalo's Police Department. Out of this partnership, a strategy will be developed to address the presence of criminal activity, whether actual or perceived. It is understood that without the minimization of real or perceived crime the revitalization effort is unlikely to succeed.

### **Clean-up Campaign**

Shoppers prefer and feel safe in a clean environment. A cooperative CARE area clean-up campaign will be coordinated by the merchants and residents, in cooperation with the City of Buffalo Department of Public Works, Clean & Seal Team, and Mayor's Impact Team.

### **Public Improvements Program**

City of Buffalo's Public Works Department will construct public improvements to enhance the streetscape of the CARE areas. Streetscape improvements may include curbs and sidewalks, street trees, lighting and street furniture. Such investments will be identified and programmed as part of the comprehensive revitalization strategy.

## **Business Expansion and Attraction Program**

In order to provide adequate retail and enhance the quality of existing retail, businesses in the CARE area will be encouraged to expand their operations will undertake a comprehensive marketing effort to recruit new businesses to the area.

## **ELIGIBLE IMPROVEMENTS**

A storefront is defined as the exterior of a commercial business that has direct and immediate pedestrian access from the public way. A corner property or a building which may have more than one business tenant will be reviewed on a case by case basis may be credited as two storefronts, on a case-by-case basis.

Rehabilitation of the upper facade and display area of a building, also, may be eligible, if street level improvements are approved. Work exceeding \$10,000 in value must have licensed architectural/engineering drawings submitted.

Improvements under the Operation FACELIFT may include:

- Complete facade renovation
- Exterior lighting
- New signs & graphics
- Windows
- Doors
- Window display areas
- Certain types of approved security and energy Conservation systems

## ***NEW CONSTRUCTION***

***New construction may qualify under a case by case basis at the sole discretion of BERC.***

***Due to restrictions enforced by CARE Program funding sources, the following types of businesses are also ineligible for CARE Program funding: Adult bookstores, adult video shops, liquor stores other adult entertainment facilities, gambling facilities, gun shops.***

## **Eligible Applicants**

Owners and tenants (with owner's written consent) of street level commercial retail property and/or businesses, except those specifically restricted as noted at top of page, located in eligible areas, may apply for participation. In instances where freestanding independent franchise businesses apply, each case's eligibility will be reviewed to determine eligibility. The BERC reserves the right to require actual occupancy of all commercial retail space before the issuance of a rebate.

## **COMPLIANCE WITH CITY, STATE AND FEDERAL REGULATIONS**

All proposed improvements over \$2,000 must comply with applicable Federal regulations including Davis-Bacon labor standards, ADA, MBE, AND EEOC requirements; as well as State, and local zoning, building code regulations, laws and ordinances.

For businesses located in a Local Historic District or a district that is eligible for listing on the National Register of Historic Places:

- (1) Any physical changes to the structure or its environment must comply with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings;
- (2) The project must meet all requirements of Federal Regulations "Preservation of Historic Properties" (36 CFR Part 800).
- (3) Work performed on property located with a Historic Preservation District must first receive approval from the Buffalo Landmark and Preservation Board prior to receiving a building permit.

To determine the applicability of these requirements to your project call Office of Strategic Planning/Environmental Program Coordinator at (716) 851-5083.

The BEREC will be responsible for monitoring the Operation Total CARE projects to insure compliance with all applicable regulations, laws and ordinances. It is required that the applicant make any and all documents pertaining to their project available to BEREC staff upon request. The applicant shall retain all such documents for a period of not less than five (5) years after the completion of their project. Applicants, and their contractors, must agree to be interviewed by BEREC monitoring and compliance personnel. Projects will be monitored for cost containment, using industry average costs. Failure to comply with these requirements will result in loss of eligibility for rebate grant.

## **PROCEDURAL STEPS FOR THE TOTAL CARE ASPECT OF THE PROGRAM**

### **Initial Application Phase**

- Step 1. Determine if applicant is located in a designated CARE area.
- Step 2. The Operation FACELIFT Guidelines, which includes an application form, is provided to interested merchants and property owners or their designee.
- Step 3. All information requested in the application, with photos of the building should be submitted to:

Buffalo Economic Renaissance Corporation  
Attn: CARE  
920 City Hall  
Buffalo, New York 14202

Submit two copies of all photos provided.

If the applicant is other than the property owner, a written, signed, authorization stating that the applicant has the approval of the building owner to make the proposed improvements and participate in the program must also be provided.

## **Application Approval Phase**

- Step 4. Selection of Total CARE participant presented by a BEREC staff person and approved by the Small Loan Committee.
- Step 5. Upon selection, the CARE Technical Assistant will meet with the applicant to review the design and implementation plan. Applicant may need to include architectural and engineering drawings (two copies), specifications, color samples, awning and sign designs, and detail cost estimates. (Contact your CARE Technical Assistant to see what exactly is required to ensure a complete application, for your project).

Free design guidance will be available for approved program applicants through the EDC. Designs developed should be consistent with intent, budget, program and general design guidelines of CARE area.

## **Construction Phase**

- Step 6. If the improvements require building permits, the applicant must submit plans (if required) to the appropriate City permit office, and obtain those permits prior to the issuance of a construction approval letter from the BEREC.

## **Inspection Phase**

- Step 7. A letter certifying completion of work must be sent to the BEREC along with copies of required permits, canceled checks and invoices. (Note: All of the above should be submitted together.) Upon receipt, BEREC staff will conduct a final site visit.

## **Rebate Grant Approval**

- Step 8. When all documentation is in order, and all work is complete, the appropriate BEREC staff will process payment. A check will be co-paid (if applicable) to the applicant and contractor within ten business days.

## **OPERATION FACELIFT**

### **Eligible Properties**

Any commercial property with street level retail except those specifically restricted on page 7, which the BEREC, in consultation with area CARE Committee, identifies as a candidate, will be eligible for maximum grant of \$2,000 per storefront.

The EDC staff will establish a pictorial inventory of commercial properties for all CARE areas. Both individual and panorama shots will be taken. These pictures will be used to document existing conditions. Color schemes for CARE area will be selected in consultation with area CARE Committee and should be reflective of the architectural heritage of each commercial district.

#### **A. Eligible Improvements (Operation FACELIFT)**

- Scrape, prime and painting of window frames, cornice, and storefront
- Replacement of broken window panes, aluminum or wood windows, and storefront glass
- Fabrication and installation of signage and awnings
- Graffiti removal and treatment
- Painting of brick facades where brick has been previously painted
- Removal of deteriorating signage, awnings and used sign brackets
- Stucco when and where appropriate and cost effective

Awnings and signage may be placed on occupied buildings, after other improvements have been addressed, if required. If funds are remaining from the total allocation, an awning can be purchased with the owner or merchant contributing the cost difference. Open, vacant commercial properties will be scraped; primed, painted.

#### **CONTRACTORS QUALIFICATIONS (Operation FACELIFT)**

Contractors must meet the following qualifications:

1. Must be licensed within the City of Buffalo
2. Can demonstrate ability to complete project on time, provide references
3. Professionalism in performance
4. Demonstrate financial capacity to complete the job. (Pre-construction funds are not required).
5. Evidence of Workman's Compensation and Liability Insurance with minimum value of \$100,000. (BERC, City and property owner must be listed as additional insured parties.)
6. No outstanding judgments
7. Meet Davis-Bacon requirements

Property owners who wish to perform their own work must meet contractor qualifications as specified above.

## **Scope of Work**

BERC staff will develop a scope of work for each building on the corridor and, where applicable, will review the scope of work with appropriate historic preservation staff.

Once a scope of work has been developed, BERC staff will meet on site with property owners or their designee to discuss and approve priority of the scope of work. Property owner/operator with assistance from BERC staff will obtain any permits required by Federal, State, County and local authorities.

**Every effort should be made to use Small, Minority and Women owned Contractors, licensed to work in the City of Buffalo.**

**Work shall not begin until a pre-construction meeting has been held and a notice to proceed is issued by BERC.**

BERC staff must approve any changes to the approved scope of work. Although the change order may be approved by BERC, BERC will not be responsible for the cost should it exceed the allowable grant/loan amount.

## **Procurement of Contractors**

A Request for Qualification (RFQ) will be advertised in local newspapers to establish a list of qualified contractors.

Buildings will be grouped in lots for bid solicitation. Selection will be made by a round robin approach, which will potentially give each contractor an opportunity to obtain work.

## **CONSTRUCTION PHASE**

BERC staff will make periodic site visits to monitor progress and workmanship. When work has been completed, the contractor will notify BERC for site visit. This site visit shall occur within 48 hours of notification.

BERC staff will meet with the property/business owner or their designee for the final site visit of the completed work.

## **Payment Process**

Upon completion of the final site visit and the approval of the work by BERC and the property owner, payment will be disbursed within Ten (10) business days.

If the property owner or BERC is not satisfied with the work and will not sign off on the job, no payment will be made until a resolution is reached. Within 30 days from the receipt of a written complaint from the property owner, a resolution will be determined. The President of BERC will have final approval authority.

## **MINOR, MODERATE AND SUBSTANTIAL REHABILITATION LOANS**

### **Minor Rehabilitation Projects**

1. Minor rehabilitation projects are those for which the costs of improvements are \$25,000 to \$125,000.
2. Financing Structure:  

Maximum Private Loan	90% of improvements
Minimum Owner Equity	10% of improvements

\*Maximum \$35,000 per job created or retained

### **Moderate Rehabilitation Projects**

1. Moderate rehabilitation projects are those in which the costs of improvements are \$125,001 to \$200,000.
2. Financing Structure:  

Private Loan	45% of improvements
Maximum BERC Loan	45% of improvements
Minimum Owner Equity	10% of improvements

\*Maximum \$35,000 per job created or retained

### **Substantial Rehabilitation Projects**

1. Substantial rehabilitation projects are those in which the cost of improvements exceed - \$200,001- \$300,000
2. Financing Structure:  

Private Loan	45% of improvements
Maximum BERC Loan	45% of improvements
Minimum owner Equity	10% of improvements

\*Maximum \$35,000 per job created or retained

The CARE loans shall typically have 15-year terms. The rate will be prime, which is determined on the approved date. The rate will be fixed for the term of the loan.

### **Loan Package Eligibility**

1. No existing improvements shall be financed.
2. Proposed improvements shall meet all standards and conditions set forth in the Revitalization Plan for each CARE area.
3. Upon completion of the improvements the property must comply with all applicable Federal, State and Local municipal regulations.
4. When a CARE area is in an historic designated area, appropriate State, and Local historic preservation board will also approve facade improvements.
5. Loans under this program must adhere to Prudent Lending Practices.

### **Award of Loans**

Loans may be awarded according to the following criteria:

1. The extent to which the project meets the BEREC's underwriting criteria.
2. The extent to which the project is located in close proximity to other Rehabilitated properties or to properties that will be funded under this loan program.
3. The extent of the project's visual impact in the CARE area.
4. The extent to which the project eliminates the blight identified in the plan.
5. Subject to approval of the BEREC Loan Committee.

## OTHER BUSINESS LOANS

Businesses in designated CARE areas are also eligible for other small business loan programs managed by BERC. The following is a brief description of some of these programs.

### A. SBA Micro Loan Program/BERC Neighborhood Micro Loan

#### **SBA Micro Loan:**

The SBA Micro Loan Program provides micro loans to start-up, newly established, or growing small business concerns. The Program makes available loans up to a maximum of \$35,000, with first-time borrowers generally limited to a maximum of \$10,000. The minimum loan can be no less than \$2,500.00. The SBA Micro Loan can finance one hundred percent (100%) of a project. The only equity required will be for fees associated with the loan.

SBA Micro loans may be used to purchase furniture, fixtures and equipment, inventory, materials and supplies. The loan may also be used to fund the working capital needs of the business. The funds **may not** be used to purchase, renovate or restore real estate.

Rate of Interest: Will be fixed at 6.7/8%

Term: Two (2) years to maximum term of six (6) years

#### **BERC Neighborhood Micro Loan Program:**

This program will assist and encourage entrepreneurship by providing “**Last Resort**” financing to businesses that are unable to secure financing from conventional sources or fund the project out of internal working capital. The minimum loan shall not be less than \$500 and the maximum not greater than \$25,000 of the total eligible project cost. BERC can finance 90% of the project costs requiring a 10% equity injection. The interest rate for these loans is fixed at the prime rate + 1%. The term of the loan can range from three (3) to fifteen (15) years if the borrower owns the real estate.

#### **To be considered for a Neighborhood Micro Loan:**

- YOU MUST HAVE A COMPLETED and SBDC APPROVED BUSINESS PLAN
- The BERC loan must fill a gap in financing
- The Project must meet one of the CDBG National Objectives: Low-mod job creation, benefit to a low-mod community or elimination of slums and blight.

**Ineligible Uses:** Refinancing of existing debt or equity and the purchase of rolling stock.

## **RECORD KEEPING**

The BEREC shall keep a record of all pertinent information relating to loans/grants including names of borrowers, loan terms, amounts, uses of funds, etc.

The Mayor, Corporation Counsel and City Auditor, or designees shall have access to these records during normal business hours or upon reasonable notice.

The BEREC Staff will be responsible for developing and sending commitment and denial letters to loan/grant applicants.

## **FINANCIAL RESPONSIBILITIES**

The Buffalo Economic Renaissance Corporation (BEREC) will establish and maintain control of the checking account.

The BEREC Chief Financial Officer will be responsible for checking all requests for payment for accuracy and for completion of work.

The BEREC President or designee will have final authority for payment. The BEREC will be responsible for reconciling the account monthly and preparing a monthly financial statement to be presented to the BEREC Board of Directors.

\*Maximum Loan/Grant amounts maximum \$35,000 per job created/retained.

## **Other Economic Development Incentives**

**Renewal Community** – Renewal Community Zone is the Buffalo provide benefits in the form of Federal Tax Credits which your accountant or tax preparer may claim when you file your federal taxes.

- Work Opportunity Tax Credit – Businesses can receive credit against federal taxes of up to \$2,400 per year for each new hire from traditionally high unemployment groups who live within the Renewal Community.
- Wage Tax Credit – Businesses can receive credit against federal taxes of up to \$1,500 per year for every employee and new hire that lives within the Renewal Community.

*For Renewal Community Inquiries, please contact Office of Strategic Planning at 851-5035.*

**Empire State Development Workforce Training Grant** – New York State offers assistance to small and large businesses attempting to meet the challenges of creating new products, entering new markets and improving production. ESD can also assist with training newly hired employees, linking your company with job seekers who possess the required skills, and partnering with various organizations to promote New York State as a leader in developing the best-trained workforce in the nation.

### Training Assistance

- Funding available for up to 50 percent of any training project
- Training in new technologies, skills or work processes
- Training in a classroom setting and/or On-the-Job (OJT)
- Funding for small business training projects

### We Can Assist:

- Large and small businesses engaged in manufacturing or non-retail service businesses, individually or through incorporated industry groups or associations, consortia of businesses, not-for-profit corporations, and community-based entities engaged in economic development.

**NYSERDA** – Small Business Energy Audit Program- New York State Energy Research Development Authority has taken a new step in supporting small business in New York State.

Who is eligible: The program is designed specifically for small businesses and other organizations that:

- Have less than \$100,000 in annual electric cost
  - Pay a system benefits charge to Niagara Mohawk or New York State Electric & Gas
- For more information about this program, please contact 565-9190

## Appendix I

### **Guide to the City of Buffalo's Empire Zone**

#### **New York Empire Zones**

##### **Do Business in New York State Tax-free? It's possible.**

Your business could qualify to become tax-free if it expands in, or relocates to, an Empire Zone (Economic Development Zones). New York State's Empire Zones (EZs) are designated areas throughout the State that offer special incentives to encourage economic development, business investment and job creation. Certified businesses located within a designated zone are eligible to receive significant tax credits and benefits. EZs are comprised of abundant vacant land, existing prime industrial and commercial buildings, skilled workers, ample power and water resources.

##### **Zone Incentives**

Qualified Empire Zone Enterprises (QEZEs) are eligible for sales tax exemption, real property and business tax credits for businesses locating and expanding in such zones. The purpose of the Empire Zones Program is to give companies increasing their employment the opportunity to operate on an almost "tax-free" basis for up to 10 years in designated areas of the State, with additional savings available on a declining basis in years 11 through 15.

##### **QEZE Sales Tax Exemptions**

Qualified Empire Zone Enterprises (QEZEs) are granted a 10-year exemption from State sales tax on purchases of goods and services (including utility services and owned vehicles) used predominantly in such zones (effective March 1, 2001).

##### **QEZE Credit for Real Property Taxes**

Qualified Empire Zone Enterprises are allowed a refundable credit against their business tax equal to a percentage of real property taxes paid based upon increased employment in the zone (effective for taxable years beginning on or after January 1, 2001).

##### **QEZE Tax Reduction Credit**

Qualified Empire Zone Enterprises are allowed a credit against their tax equal to a percentage of taxes attributable to the zone enterprise (effective taxable years beginning on or after January 1, 2001).

##### **Wage Tax Credit (WTC)**

Credit is available for up to five consecutive years for companies hiring full-time employees in newly created jobs. This credit equals \$1,500 per year for new hires. For new hires from targeted special groups, the credit is \$3,000 per year, effective 1/1/01.

##### **EZ Investment Tax and Employment Incentives Credit (ITC-EIC)**

Businesses that create new jobs and make new investments in production, property and equipment may qualify for tax credits of up to 19% of the company's eligible investment.

**New Business Refund**

Businesses new to New York State are entitled to a 50% cash refund of unused EZ-WTC and ITC amounts. Other businesses may carry forward-unused credits indefinitely.

**Utility Rate Savings**

Special reduced electric and gas rates may be available through investor-owned utilities in New York State. Businesses that locate or expand their operations in an EZ may receive significantly reduced utility rates.

**Zone Capital Credit**

A 25% tax credit against personal or corporate income taxes is available for contributing or purchasing shares in a zone capital corporation; or for a direct equity investment in a certified zone business; or for contributions to approved community development projects within an EZ.

**Technical Assistance**

Each local zone office is staffed with professionals qualified to assist businesses locating or expanding in an EZ.

For additional information on this or any other BEREC program contact 842-6923.

## Appendix II

### **Contractor's Guide to Davis Bacon**

The Office of Labor Relations (OLR) administers Federal prevailing wage requirements in HUD-assisted housing and community development programs through staff in Field Offices. OLR is HUD's primary contact with the Department of Labor (DOL) in enforcing labor standards mandated by the Davis-Bacon and Related Acts.

#### **Purpose:**

OLR serves as policy adviser and consultant to HUD's Secretary and other principal staff on the applicability, administration, and enforcement of Federal labor standards, including Davis-Bacon prevailing wage rates and to organize labor-particularly the building and construction trades unions. The office also seeks affirmative relationships with organized labor and industry in support of HUD's affordable housing and community revitalization goals. Toward that objective, OLR, in partnership with DOL, also administers [Step-Up](#), a welfare-to-work apprenticeship-based jobs program for low-income people.

In addition to overall responsibility within HUD for administering and enforcing Davis-Bacon prevailing wage requirements for a broad array of HUD programs, OLR administers the prevailing wage requirements for maintenance employees of public and Indian housing agencies. This requires the annual HUD determination of maintenance wage rates for such workers.

#### **Type of Assistance:**

This is an administrative and enforcement function. In carrying out its mandate, OLR issues technical guidance on labor standards enforcement makes labor standards administration training available to local contracting agencies through its field staff, monitors local agencies (public and Indian housing authorities and Community Development Block Grant agencies) for labor standards contract compliance, and maintains comprehensive program information at the OLR page at HUD's Web site. (See below.) For calendar year 1997, the value of HUD-assisted construction contracts covered by Davis-Bacon prevailing wage requirements exceeded \$4 billion.

#### **Eligible Grantees:**

This program includes most recipients of HUD-funding assistance involving construction work, who must ensure that they comply with Federal labor standards and prevailing wage requirements. **If the full contract exceeds \$2,000, prevailing wages must be paid by the contractor in compliance with the Davis Bacon Act.**

#### **Eligible Customers:**

Construction workers on HUD-assisted construction projects and maintenance workers engaged in the operation of certain HUD-assisted low-income housing benefit from the wage protections provided in the Davis-Bacon and Related Acts.