

October 5, 2010

Board of Commissioners Housing Authority of the County of Marin 3501 Civic Center Drive San Rafael, CA 94903 4020 Civic Center Drive San Rafael, CA 94903-4173

Executive Director Dan Nackerman

SUBJECT:

Approve the policy changes for an apprentice hiring requirement for construction

contractors performing work on MHA projects.

**RECOMMENDATION:** Approve

**SUMMARY:** If approved, the requirement would apply to all HUD-funded construction contracts MHA enters into that exceed \$100,000. MHA would require its contractors to ensure that at least 10% of the employees performing work under a covered contract are apprentices from a Department of Labor approved training program.

Employment in skilled construction trades has been a significant avenue for low-income families to escape poverty. By requiring MHA contractors to employ apprentices, MHA is supporting high quality apprenticeship programs that provide a fast track to economic self-sufficiency. If a contractor believes the apprentice hiring requirement presents an undue hardship in completing the contract, the contractor may request an exemption in writing.

**FISCAL IMPACT:** The apprentice hiring requirement may increase labor costs for some projects, especially those that require a small workforce. However, using apprentice labor may decrease labor costs for other projects due to higher skilled efficiencies. Note that all related projects require 'Davis Bacon' wages regardless.

Sincerely,

Dan Nackerman Executive Director

Housing Authority of the County of Marin

415/491-2525

(FAX) 415/472-2186 (TDD) 1-800-735-2929

www.marinhousing.org