

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CIVIL SERVICE AND LABOR

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HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: I. DANEEK MILLER, CHAIRPERSON

COUNCIL MEMBERS: ADRIENNE E. ADAMS  
DANIEL DROMM  
ANDY L. KING  
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FRANCISCO P. MOYA  
ERIC A. ULRICH  
RAFAEL ESPINAL  
BRAD LANDER  
BEN KALLOS  
HELEN ROSENTHAL

## A P P E A R A N C E S (CONTINUED)

MINDY ROLLER, Chief of Workers  
Compensation Division of the Law  
Department

SUZANNE LYNN, Deputy Commissioner for  
DCAS Legal Affairs and General Counsel of  
NYC Department of Citywide Administrative  
Services

JACQUELINE TERLONGE, Director of Citywide  
Office of Occupational Health and Safety,  
also of DCAS

GENOVESE MICHAEL, HVT Assistant  
Commissioner for Government Affairs at  
New York City Department of Housing  
Preservation and Development

CASEY ADAMS, Director of City Legislative  
Affairs for New York City Department of  
Consumer Affairs Worker's Protection

JILL MAXWELL, Department of Consumer  
Affairs Workers Protection, Legal and  
Policy Director Office of Labor Policy  
and Standards

SHIRLEY ALDEBOL, Vice President Local  
SEIU Local 32BJ

KYLE BRAGG, Executive Vice President  
Secretary/Treasurer of SEIU local 32BJ

## A P P E A R A N C E S (CONTINUED)

JUSTIN SINCLAIR, Works for 32BJ as  
property service worker

ELIZABETH SALINOWIK (SP?), member of 32BJ  
commercial cleaner

SAL HERNANDEZ, Member of 32BJ handy  
person

MICHAEL GRUBER, Attorney

JOEL SHUFRO, Former Director of the New  
York Committee for Occupational Safety  
and Health NYCOSH

OWEN BOSELEY, President FDNYMS local 2507

GARY SMILEY, Worked 27 years for New York  
City as a paramedic, haztech paramedic,  
rescue paramedic as well as medical  
specialist on New York Task Force 1 which  
is Urban Search and Rescue Task Force

AKIM WATKINS, Former FDNY EMS employee

JESSICA PEREZ, Fashion industry

DAISY ALATO (SP?), Full-time freelance  
writer

KAITLYN PIERCE, Executive Director of  
Freelancers Union

## A P P E A R A N C E S (CONTINUED)

PAUL SON, State Policy Director with  
National Employment Law Project

ESMANI SPILIOTIS (SP?), Executive  
Director Mahini Management, Inc.

LAUREN LEMAK, Housing Development Project  
Manager on behalf of Services for the  
Underserved, SUS

PATRICK BOIL, Director of Policy at  
NYSFAFH, New York State Association for  
Affordable Housing

JOSEPH ROSENBERG, Director of Catholic  
Community Relation Council

JAMES PARROT, Director of Economic and  
Fiscal Policies at the Center for New  
York City Affairs

GARDNER SOTO, Member of 32BJ

PETER RAMOR (SP?), Member of 32BJ

MOHAMMED TI PASOLTON, Taxi Worker  
Alliance

KAYLA WALTER, Director American Worker  
Project at the Center for American  
Progress Action Fund

PEDRO CAMPBELL, Member 32BJ

## A P P E A R A N C E S (CONTINUED)

LAUREN MASCUCH, Executive Director of the Supportive Housing Network of New York

MICHELLE JACKSON, Deputy Executive Director of the Human Services Council

DENA DAVIS, Representing Westside Federation for Senior and Supportive Housing, WSFSSH

CLAIRE SHETTY, Vice President of Housing Operations and Programs at Breaking Ground

ERIC LEE, Director of Policy and Planning for Homeless Services United, HSU

FERDALIA MARKULICK (SP?), Member 32BJ

ROSE HERNANDEZ, Member leader of Community Voices Heard, CVH

JESSIZ ORTIZ, Member 32BJ

YENI HERNANDEZ, Member 32BJ

MAJOR CHILDS, Member 32BJ

DAVID COLLIER, Member 32BJ

ROGER MOORE, Member 32BJ

VIA MAY RICHARDSON WHITE, Member 32BJ

## A P P E A R A N C E S (CONTINUED)

JORDAN WEISS, Member 32BJ

REGINA THOMPSON, Member 32BJ

JONATHAN HODGSTEP (SP?), Residential  
Research Coordinator for 32BJ

PETER MORENA, Member 32BJ

MARK ESPINOSA, Member 32BJ

RICHARD LAVARO ATORIA, Member 32BJ

ARTIS BROWN, Member 32BJ

MICHAEL STEVENSON, Cleaner of school

KENJA HARPER, Member 32BJ

BARBARA BOTTOM, Member 32BJ

RAYMOND PEREZ, Member 32BJ

FABIAN CAMPBELL, Member 32BJ

MARILYN VASQUEZ, Member 32BJ

2 SARGEANT AT ARMS: This is a test,  
3 testing 1, 2, 3. Today's date is June 20, 2019 on  
4 Civil Service and Labor by Steven Sidowski.

5 CHAIRPERSON I. DANEEK MILLER: Good  
6 morning, I'm Council Member I. Daneek Miller, Chair  
7 of the Committee on Civil Service and Labor and I  
8 would like to welcome everyone to today's hearing. I  
9 would like to acknowledge first some of my Members of  
10 the Committee, Council Member Danny Dromm, Council  
11 Member Adrienne Adams and I recognize my colleagues  
12 who are here who will join us today to speak on their  
13 Legislation. Council Member Rafael Espinal and  
14 Council Member Brad Lander as well. Today is a  
15 Legislative hearing convened for the purpose of  
16 hearing a number of bills and resolutions assigned to  
17 this Committee which I will briefly go through.  
18 First my own Bill, Introduction 1604. This  
19 Introduction expands upon existing Workers  
20 Compensation reporting law, Introduction 1604  
21 requires that the City Law Department instead of the  
22 Mayor to issue a report regarding Worker's  
23 Compensation across City Agencies. The new reporting  
24 would include additional detailed information  
25 regarding workplace injuries and occupational disease

2 while also requiring every City Agency to develop and  
3 implement a report on annual accidents and illness  
4 prevention programs. The purpose of these programs  
5 is to reduce workplace injuries and illness  
6 identified in the report. Workers Compensation  
7 represents a significant drain on our City's  
8 resources. In 2018, the total amount of claims paid  
9 was \$24.9 million. While this is a decrease of 3%  
10 from 2017, it still represents a significant amount  
11 of taxpayer dollars spent. This bill would provide  
12 more effective data in an effort to reduce the  
13 injuries and illnesses that we commonly see within  
14 specific industries and identifies ways within the  
15 City in tackling these issues, to continue to see  
16 annual decreases in a number of claims filed and  
17 claims paid out. I look forward to working with the  
18 administration to see this bill come to law. I think  
19 that it will provide a better data and allow the  
20 right policies to be implemented to mitigate these  
21 workplace injuries suffered by City Employees and  
22 provide a safer worker environment for all. The next  
23 piece of legislation we will be hearing is proposed  
24 Introduction 1321A. It is sponsored by Council  
25 Member Espinal. This Bill would expand prevailing

2 ways of the Law to cover building service employees  
3 in buildings where private developers receive at  
4 least \$1 million in discretionary financial  
5 assistance from the City and/or the City's economic  
6 development entity for a City Development Project.

7 This bill would remove the exemption of affordable  
8 housing projects and add an exemption for certain  
9 supportive housing projects. While well intention, I  
10 know this Bill has created anxiety amongst the  
11 Affordable and Supportive Housing Community and there  
12 are many advocates here today who will testify on  
13 this Legislation. I expect an extensive conversation  
14 about this Bill in an effort to shape a Bill that is  
15 impactful yet not harmful to those who provide  
16 necessary city services. The final piece of  
17 Legislation that will be heard today is Introduction  
18 108 by Council Member Brad Lander. This bill will  
19 prohibit employees from entering into noncompete  
20 agreements with freelance workers. The use of  
21 noncompete agreements and contracts for freelance  
22 work, especially in the fashion industry can lead to  
23 unreasonable restrictions on freelancers being able to  
24 find new work. This Bill would prohibit such abusive  
25 practices for certain types of workers in New York

2 City. In addition to these Bills, we will be hearing  
3 two Resolutions. Resolution 40 sponsored by Member  
4 Robert Cornegy calls upon the New York State City  
5 Retirement, NYSSA to determine NYSSAs members are  
6 disabled for the purposes of accidental disability  
7 pensions if both the New York State Workers  
8 Compensation Board and Social Security Administration  
9 determine that members are in fact disabled.  
10 Resolution 898 sponsored by myself calls for New York  
11 State to adopt two State Senate Bills and Assembly  
12 Bill better known 2837 and 2750 better known as Farm  
13 Workers Fair Labor Practice Act. I am pleased to  
14 report that late yesterday Legislators passed a  
15 separate compromise measure with provisions that  
16 deliver on core principals of the original  
17 Legislations including time and a half for over 60  
18 hours of work, affirmation of the right for Farm  
19 Laborers to Organize offering Farm Laborers the  
20 option of a days rest, extends the State Paid Family  
21 Leave Law to Farm Laborers. There are approximately  
22 80,000 farm workers working here in New York State  
23 alone. This Law will ensure that these mostly  
24 immigrant laborers who have generally been  
25 undervalued and overworked and poorly compensated are

2 provided with key protections and benefits that so  
3 many workers across this great state currently enjoy.  
4 (A round of applause please, a round of applause).  
5 Long overdue, long, long overdue. I want to  
6 congratulate New York State Assembly Woman, Kathy  
7 Nolan who has worked, worked, absolutely tirelessly  
8 over the past decade, we have been doing this as  
9 sending this resolution up as long as, as well as  
10 Labor Committee Chair Senator Jessica Ramos for their  
11 perseverance in their leadership and making this Farm  
12 Laborers Fair Act possible. We have a busy agenda  
13 today. I will ask that the members of the public  
14 called to testify when they are placing, you we will  
15 place you four to five persons to a panel and we will  
16 be placing everyone on a three-minute clock. We want  
17 to hear from everyone today so please be brief,  
18 concise, and we will accept your comments, your  
19 written comments and testimony can also be submitted  
20 to staff. Before I turn it over to the sponsors of  
21 the Committee, I would like to thank my staff, my  
22 Chief of Staff, Ali Rosunlijab (SP?), Legislative  
23 Director Brandon Clark, Senior Advisor Mr. Joe  
24 Gobloom (SP?). The great Joe Gobloom and now with  
25 that I will, we will be hearing from. I also would

2 like to thank Council Staff Malcolm, Kevin,  
3 Elizabeth, and Kendall. They do an absolutely  
4 fantastic job, not only in the Labor Committee but  
5 throughout and we appreciate the services there. We  
6 will now hear from Council Member Brad Lander.

7 BRAD LANDER: Thank you very much Mr.  
8 Chair. I'm honored to be here at this hearing today  
9 on your important bills which I think are great and I  
10 look forward to hearing the testimony on. I'm proud  
11 to be here today as the lead sponsor of Intro 108  
12 which would protect New York City's Freelancers. We  
13 were proud to become the first city in the country to  
14 pass the Freelances and Free Act to protect  
15 Freelancers from having their wages stolen after they  
16 had already done the work and they didn't get paid.  
17 And in that process of developing the legislation we  
18 heard from a number of freelancers especially but not  
19 exclusively in the fashion industry about the problem  
20 of being forced to sign non-compete agreements. So  
21 when they seek a hiring agency, that is the one that  
22 gets them their work, that sends them out on shoots,  
23 before that agency will sign them up, it requires  
24 them to sign a non-compete agreement but then won't  
25 guarantee them any significant amount of work so now

2 they are stuck, they can only work with one agency to  
3 go get work and yet that agency does not have any  
4 obligations to give them enough work to earn a  
5 living, to pay their rent, to put food on the table  
6 for their families, so it is one more way that people  
7 are who are independent workers and freelancers are  
8 denied some of the basic protections that workers  
9 should be able to expect. So at this hearing where  
10 we are talking about other ways of making sure that  
11 all workers have the opportunity to earn a living  
12 wage, I really appreciate Mr. Chairman that you made  
13 it possible for us to have this hearing to protect  
14 freelancer workers from being forced to enter into  
15 unfair noncompete agreements and I look forward to  
16 the testimony on it as well as on the other bills.  
17 Thank you very much.

18 CHAIRPERSON I. DANEEK MILLER: Thank you  
19 Council Member Lander, we will now hear from Council  
20 Member Espinal.

21 RAFAEL ESPINAL: Thank you Chair Miller  
22 for holding this hearing on my Bill, Intro 1321A  
23 which would expand for minimum wage law for building  
24 service employees at City Development Projects.  
25 Minimum wage as we all know is no longer a living

2 wage as our City becomes a more expensive place to  
3 live, we have to be pushing for laws that closes both  
4 gaps. I introduce this bill today because it is the  
5 standard, I set during the East New York Rezoning of  
6 the 100% affordable housing that is being built in my  
7 district, each building is now going to provide  
8 prevailing wages to its staff. My District is facing  
9 a housing crisis just like the rest of the City and  
10 this crisis has to be addressed not just by looking  
11 at how much affordable housing is available but by  
12 examining what kind of jobs are available and can be  
13 created as well. There is no inherent contradiction  
14 between saying we know workers should be paid more  
15 and we know we need more affordable and supportive  
16 housing. I look forward to hearing all of the  
17 testimony today so that we pass legislation that  
18 addresses both of these goals, so thank you Mr.  
19 Chairman.

20 CHAIRPERSON I. DANEEK MILLER: Thank you  
21 Council Member. I want to thank my colleagues for,  
22 for the introductions of this thoughtful and absolute  
23 necessary legislation that is before us today. With  
24 that we will call upon our first panel, and that is  
25 Mindy Roller from Workers Compensation Division of

2 the Law Department, Suzanne Lynn from DCAS,  
3 Jacqueline Terlonge from Citywide Office of  
4 Occupational Health and Safety, also of DCAS, Michael  
5 Genovese of HVT and of Gov., Casey Adams Department  
6 of Consumer Affairs, Worker's Protection and Jill  
7 Maxwell from Consumer Affairs, Worker's Protection  
8 will now be sworn in by Counsel.

9 COUNSEL: If you could all raise your  
10 right hand please. Do you swear to tell the truth  
11 and answer all questions honestly before this Council  
12 Committee here today and if you can just press the  
13 mic?

14 MINDY ROLLER: Good morning Chair Miller  
15 and Members of the Civil Service and Labor Committee.  
16 My name is Mindy Roller and I am the Chief of the  
17 Worker's Compensation Division of the New York City  
18 Law Department. The Division administers Worker's  
19 Compensation claims of all City employees covered by  
20 the New York State Worker's Compensation Law. We  
21 also administer claims on behalf of the Department of  
22 Education, New York City Health and Hospitals and the  
23 City University of New York. Approximately 200,000  
24 municipal employees are subject to the Worker's  
25 Compensation Law. I note that this does not include

2 uniformed members of the police department, fire  
3 department, sanitation department or pedagogical  
4 employees of the Department of Education who are not  
5 covered by the Law. The Worker's Compensation Law  
6 provides benefits for private and public sector  
7 employees injured in the course of their work  
8 activity. The benefits consist of all necessary  
9 medical treatment and partial wage replacement. The  
10 New York State Worker's Compensation Board whose  
11 members are appointed by the Governor is charged with  
12 the responsibility of administering the Law on a  
13 state-wide basis. The board adjudicates claims,  
14 issues decisions, makes awards of compensation and  
15 holds hearings as appropriate. The Board is the  
16 ultimate fact finder in Worker's Compensation Claims.  
17 The role of my Division of the Law Department is to  
18 ensure that injured city employees receive the  
19 benefits to which they are entitled in the event of a  
20 work-related injury. All claims originate at the  
21 Agency level and each city-agency is responsible for  
22 reporting its claims to the Law Department. The Law  
23 Department in turn populates state-required  
24 electronic forms and submits the claims to the Board.  
25 The Board determines how a claim proceeds, whether or

not to hold a hearing or to issue a written decision or the Law Department appears at hearings, reviews medical bills and processes payments for wage replacement and medical treatment. As required by Administrative Code 12 127, the Law Department also prepares an annual report of Worker's Compensation Claims in May of each calendar for the prior calendar year. This reports tracks injuries and related payments made in that prior calendar year. It also lists injuries by agency with a description and location of the injury. In accordance with the statute, the report contains snapshot of claims, year by year rather than accumulative total. Currently, the report is delivered to the mayor, controller, Public Advocate and the City Council Speaker and is posted on the Department of Records and Information Services website. In the most recent report for calendar year 2018, the Division received approximately 18,100 new claims for compensation, appeared at 15000 years and reviewed nearly 300,000 medical bills. The payments listed in the annual report almost 25 million in calendar year 2018 represents only a portion of the overall payments made that year. The Division actually paid out

2 during that past, this past Fiscal year, wage  
3 replacement totally \$338 million and medical payments  
4 totalling \$58.5 million. These payments represent  
5 all the active cases which the Division administers  
6 inclusive of payments for injuries incurred in prior  
7 years. We understand that the Committee is now  
8 considering amending and expanding through Intro 1604  
9 the reporting requirements mandated by administrative  
10 code 12 127. We commend the Council's concern for  
11 Work Place Safety and would like to take this  
12 opportunity to highlight and commend on a few of the  
13 proposed changes. First, the definition and addition  
14 of Occupational Disease as a separate category of  
15 claim is not useful or illuminating in this context.  
16 Currently, all claims reported to an agency whether  
17 for an accidental injury or occupational disease are  
18 captured in the report. Of great significance, is  
19 that what qualifies as an occupational disease claim  
20 pursuant to the Worker's Compensation Law is complex  
21 and the Board's Decisional Law is variable.  
22 Moreover, whether a claim is deemed an accident or an  
23 occupational disease may not be determined until the  
24 claim is finalized and it may differ from the  
25 original claim. Because this information is already

1 being provided, we would recommend not presenting  
2 occupational claims separately rather than clarity,  
3 it would result in confusion. Second, the  
4 requirement in new proposed new paragraph C3 that  
5 agencies report the requested information as soon as  
6 practicable is too open ended. To ensure that the  
7 report is created timely and efficiently the law  
8 should prescribe a specific date which would allow  
9 sufficient time for the Law Department to collate all  
10 the results. We suggest February 15<sup>th</sup> of the year  
11 subsequent to the reporting. In addition to  
12 requiring a specific deadline, the Bill should also  
13 require uniformity in Agencies reporting to be  
14 determined by the Worker's Compensation Division.  
15 Some of the reporting requirements in this Bill do  
16 not capture the data in a way that would allow for  
17 meaningful reporting. This is particularly true of  
18 locations where an entry may have more than one  
19 identifier. As an example, an accident could be  
20 reported as having been occurred in the municipal  
21 building or at 1 Center Street. We believe that  
22 reporting by county would be more informative. Of  
23 additional concern, is that the proposed new  
24 subparagraph C53 references a category of claim  
25

2 reported but not filed which is really almost non-  
3 existent. Virtually every claim reported to the Law  
4 Department by City Agency is filed with the Worker's  
5 Compensation Board. Finally, these claims related to  
6 healthcare and private health information, the  
7 inclusion of title may in some instances serve to  
8 identify individuals with inappropriate specificity.  
9 This is one of the reasons that titles were not  
10 initially included among the reporting requirements  
11 when this law was originally enacted. We recommend  
12 withdrawing the requirement that titles be included.  
13 Thank you for the opportunity to appear before you  
14 today and I would be happy to answer any questions.

15 SUZANNE LYNN: Good morning Chairperson  
16 Miller and other members of the Committee. My name  
17 is Suzanne Lynn and I am the Deputy Commissioner for  
18 Legal Affairs and General Counsel of the New York  
19 City Department of Citywide Administrative Services  
20 and joining me is Jacqueline Terlonge who is the  
21 Director of Citywide Office of Occupational Safety  
22 and Health. The Citywide Office of Occupational  
23 Safety and Health commonly known as COOSH is housed  
24 as DCAS within the office of the General Counsel.  
25 Essentially COOSH is an inhouse resource for city

agencies seeking to protect the health and safety of their employees. Among other things, COOSH coordinates employee safety and health initiatives for all city agencies, provides technical assistance to agencies in implementing safety and health programs and conducts environmental testing and monitoring within city agencies with the goal of reducing work place hazards and worksite accidents. Last year, COOSH conducted 21 trainings for 54 city agencies on topics ranging from Right to Know Chemical Safety, Workplace Violence Prevention, Indoor Air Quality and Thermal Stress. In addition, COOSH disseminates safety and health advisories and hosts town hall meetings during emergency events such as the 2014 Ebola outbreak, the 2016 Zika Crisis and the recent measles outbreak. COOSH also conducts inspections of potentially hazardous situations in response to employee's concerns. For instance, if employees at a particular agency complain of the potential presence of asbestos in a work site, COOSH will send someone to inspect the premises. COOSH staff are trained to inspect for lead, asbestos, air quality and mold as well other conditions. If results of the inspection are positive, COOSH will

2 make recommendations to the agency about actions it  
3 can take to abate the condition. For instance,  
4 increasing air circulation or cleaning the premises  
5 with specialized green products. COOSH also  
6 participates in a number of regularly scheduled  
7 meetings that give employees and their  
8 representatives a chance to raise their concerns to  
9 the appropriate parties. For instance, a video  
10 display terminal committee, chaired by the director  
11 of COOSH which includes agency representatives for  
12 OLR, DOHMH, HHC and the labor unions convenes monthly  
13 to establish citywide ergonomic standards with the  
14 goal of reducing musculoskeletal injuries. Further,  
15 COOSH participates in quarterly labor management  
16 safety and health committee meetings to address  
17 workplace safety issues at the agency level. These  
18 meetings are attended by management staff from some  
19 of the larger agencies and labor union  
20 representatives and provide a form for the unions to  
21 raise their members concerns directly with management  
22 who can address them. COOSH serves as the primary  
23 liaison and reporter to the New York State Department  
24 of Labors Public Employee Safety and Health Bureau or  
25 PESH. PESH is the governing authority on

2 occupational safety and health for city agencies and  
3 establishes and enforces regulations as well as  
4 conducting periodic inspections to ensure that city  
5 agencies comply with federal and state regulatory  
6 requirements. Turning to Intro 1604, section 6 of  
7 that Bill would require City Agencies to develop and  
8 implement annual accident and illness prevention  
9 programs designed to reduce injuries and illnesses.  
10 Many City Agencies currently maintain the safety and  
11 health programs that includes accident and illness  
12 prevention components. These agencies include DEP,  
13 DOT, DOHMH and FDNY among others. COOSH evaluates  
14 employee safety and health programs and makes  
15 recommendations when needed. We support the goals of  
16 the Bill and will continue to work with agencies to  
17 accomplish them. In addition, as part of their  
18 responsibilities, city agencies already conduct  
19 regular safety inspections at their work sites and  
20 investigate all accidents. Agencies must analyze  
21 accident investigations and submit information  
22 directly to the New York State Department of Labor on  
23 an annual basis. This information helps the agency  
24 employees and PESH evaluate the safety of a  
25 workplace, understand industry hazards and implement

2 employee protections to reduce and eliminate hazards,  
3 helping to prevent future worksite injuries and  
4 illnesses. I hope I have clarified the role that  
5 COOSH plays in the City's efforts to safeguard the  
6 health and safety of its employees. COOSH remains  
7 committed to continuing its work with city agencies  
8 to improve employee safety and health programs. We  
9 would be happy to answer any questions.

10 GENOVESE MICHAEL: Uhm good morning Chair  
11 Miller and Members of the Committee on Civil Service  
12 and Labor. I am Genovese Michael, Assistant  
13 Commissioner for Government Affairs at the New York  
14 City Department of Housing Preservation and  
15 Development. Thank you for the opportunity to  
16 testify on Intro 1321A. The Housing Affordability  
17 Crisis is multi-faceted and this administration is  
18 committing to tackling all its sides, including  
19 ensuring there is more and more affordable housing  
20 available for New Yorkers who need it most and  
21 ensuring the City through its Housing Programs, is  
22 spurring the creation of good paying jobs that uplift  
23 residents. To this end, the Mayor has advanced  
24 landmark policies for workers that have become models  
25 across the nation. In 2014, the City guaranteed paid

sick and safely for all. In 2015, the City of New York was a key ally in the Albany fight to institute a \$15 minimum wage and in 2017 in partnership with this Council, we passed fair scheduling laws that provide predictable scheduling and fair compensation for fast food and retail workers. Most recently in this year's State of the City Address, the Mayor announced ours would become the first City in the country to provide paid personal time for all workers and that all of these efforts would come under the purview of a fortified agency called the Department of Consumer and Worker Protection, formerly known as the Department of Consumer Affairs. In the midst of these tremendous strides to protect workers HPD in 2017 also increased the already ambitious Housing New York Goal to create or preserve 200,000 units of affordable housing to be even more ambitious; 300,000 affordable homes created or preserved by 2026, I am proud to say that we are on track. Together these worker protection and affordable housing production and preservation efforts are key pillars that support a broader strategy for building a fair New York City and they must be balanced to ensure that New Yorkers have both high-quality jobs and affordable places to

live. Uhm before diving into Introduction 1321A I want to take a moment to describe the current landscape. Affordable housing development is a public/private partnership with developers putting in equity, financial institutions providing financing akin to mortgages and the city providing gap financing to round out affordable projects. This role has allowed us to effectively use public subsidies in exchange for record levels of affordable housing production, not seen anywhere else in the country. HPDs Annual Housing Production is about 25,000 per year, higher than anywhere else in the country. Today, we estimate that about 15,000 of the 25,000 units we finance each year are already in buildings where staff are paid prevailing wages or are in a labor agreement. This is for a mix of reasons including state law and city policy under this administration. These units include homes in larger buildings receiving 421A tax benefits. A majority of our current larger preservation deals in all new construction and preservation in areas that have been rezoned as part of Neighborhood Scale Rezoning since 2014. Buildings not currently covered by a Prevailing Wage Requirement for building service

2 workers tend to be smaller and often are deeply  
3 affordable. This should not be surprising. Smaller  
4 buildings often have smaller operating budgets and  
5 deeply affordable buildings and less in rental income  
6 despite comparable per unit expenses to other  
7 buildings of similar size and thus are less likely to  
8 be able to accommodate higher operating expenses. I  
9 will now turn to the Bill. Intro 1321A amends Local  
10 Law 27 of 2012 to require a prevailing wage  
11 commitment to any residential project with at least  
12 100 units receiving \$100 million or more of public  
13 financial assistance and includes a narrow exception  
14 for certain types of supportive housing projects.  
15 Accordingly, this Bill will apply to a broad range of  
16 HPDs projects from deeply affordable new  
17 construction, to preservation projects serving low  
18 income seniors. We want to raise three primary  
19 issues, balancing commitment to sustainable,  
20 affordable housing and quality jobs. This  
21 Administration is committed to ensure more and more  
22 good quality jobs are created and supports the goals  
23 of this Bill. We think it is important to move  
24 forward with an understanding of the best structure  
25 to balance the challenges of deepening or commitment

2 to housing, the New Yorkers who need the most and  
3 providing quality highway shops while doing so. From  
4 the Launch of Housing New York in 2014 to March of  
5 2019, HPD has helped create or preserve over 123,000  
6 units of affordable housing. 40% of which has been  
7 accessible to families with the lowest incomes. We  
8 have reached these goals by consistently working with  
9 our partners to specifically target the families most  
10 in need and we have restructured our programs to do  
11 that. For instance, the City has deepened its  
12 capital commitment to the Housing New York Program to  
13 achieve these goals. Our partners have adjusted as  
14 well. We work with them to ensure they build or  
15 invest in buildings that create quality housing for  
16 our residents. In addition to the upfront capital  
17 investment, that quality comes with a certain level  
18 of annual operating costs. We must also remember  
19 that as we work hard to serve more and more of our  
20 lowest income New Yorkers, building managers have  
21 less rental revenue to cover operating costs. Many  
22 buildings like many homes have mortgage payments they  
23 must make. This means that building cash flow is  
24 increasingly getting smaller, putting the building at  
25 risk of being in financial distress which brings

1 risks of disrepair and ultimately bad conditions for  
2 tenants. We must work hard to achieve this balance  
3 to keep the threat of financial distress at bay. It  
4 gets increasingly difficult to do deals with  
5 developers and property managers if at the start of  
6 the conversation there are concerns about likely  
7 financial distress. Lenders and developers, many of  
8 whom share our mission and values will begin to draw  
9 lines and establish the types of deals they may not  
10 do. This would jeopardize our overall ability to  
11 meet our housing goals. Our focus must be on  
12 striking the right balance for the subset of  
13 buildings vulnerable to this kind of risk.  
14 Supportive housing pulls tenants with special needs  
15 from the shelter system and provides them with  
16 permanent affordable housing with on-site social  
17 services to address those needs. For decades, the  
18 Supportive Housing Model has proven itself to be the  
19 most effective way to house and rehouse our neighbors  
20 in need of the most help. This successful model  
21 generally has more service staff on site including  
22 security and maintenance workers. While HPD  
23 appreciates the Council's intent to exempt supportive  
24 housing projects, HPD is concerned that the language  
25

2 in Intro 1321A as written is too narrow to capture  
3 all supportive housing. The current tax is  
4 structured to reflect HPDs supportive housing loan  
5 program, term sheet, but would not cover for example  
6 supportive housing programs funded by New York State  
7 and also would not give HPD flexibility to adjust  
8 affordability levels for the non-supportive units in  
9 these projects to serve other low-income New Yorkers.  
10 With no exemption for this type of housing,  
11 supportive housing providers estimate that a  
12 prevailing wage mandate could increase the cost of  
13 these services by over 75% in their buildings. For  
14 example, some advocates point to 150+ unit supportive  
15 project proposed in the Bronx which would serve low-  
16 income seniors and seniors suffering from severe  
17 mental illness. If Intro 1321A applied to this  
18 development the project would have a \$6 million gap  
19 in the additional capital funding to fill before it  
20 could move forward. Supportive housing is a  
21 significant component of this Administrations Turning  
22 the Tide Plan and commitment to reducing homelessness  
23 in New York City. NYC 1515 is the largest ever such  
24 municipal commitment of supportive housing. We want  
25 to ensure that this Bill does not create unintended

consequences that hinder our ability to provide this critical response. HPD's ability to lock in affordability in mid-sized buildings and to implement our small loan programs should also be considered. Small to mid-sized projects for Intro 1321 sets a threshold of buildings with 100 units for inclusion in the mandate and has a very broad definition of public financial assistance; however, HPD uses a variety of tools to reach mid-sized buildings to address both physical needs and to guarantee long-term affordability and accordingly the choices faced by mid-sized buildings owners are different than those of larger building owners. Mid-size building owners receive relatively modest benefits in exchange for provision of affordable housing. They face a different set of incentives than the developer of a larger new construction building and when faced with too many regulatory requirements are more likely to opt out of doing business with the City at all. In these cases, we lose on both labor and affordable housing goals, low subsidy projects. Similarly, this building could impact our ability to finance preservation projects that have relatively low subsidy amounts or they are only receiving tax

2 exemptions with no additional subsidy. For example,  
3 our Green Housing Preservation Program Term Sheet  
4 allows a maximum subsidy of \$50,000 per dwelling unit  
5 to finance energy efficiency and water conservation  
6 improvements and moderate rehabilitation; 110-unit  
7 co-op building receiving \$20,000 per dwelling unit  
8 from this program would not be exempt from the  
9 prevailing wage requirements under Intro 1321A. The  
10 increase cost imposed by this Bill would  
11 disincentivize the owners from working with HPD  
12 particularly if they are able to access private  
13 financing to undertake necessary repair work. In  
14 turn, we lose the opportunity to get such buildings  
15 into regulatory agreements and preserve long-term  
16 affordability and viability. HPD preliminarily  
17 estimates that raising the exemption threshold to 200  
18 units per project could ensure that we could not lose  
19 these much-needed affordable units in mid-sized  
20 buildings. I want to end by reiterating HPD's  
21 commitment to both quality jobs and affordable  
22 housing. Both are essential for New Yorkers and for  
23 sustainable fair city. These goals can be achieved  
24 together. As we work on all fronts to stem the tide  
25 of the affordability crisis. We look forward to

2 partnering with the City Council advocates and labor  
3 unions to craft a solution that balances these  
4 critical needs.

5           CASEY ADAMS: Good morning, Chair Miller  
6 and members of the Committee, my name is Casey Adams  
7 and I am the Director of City Legislative Affairs for  
8 the New York City Department of Consumer Affairs  
9 which was recently renamed the Department of Consumer  
10 and Worker Protection. I am joined today by Jill  
11 Maxwell, Legal and Policy Director for the DCWPs  
12 Office of Labor Policy and Standards. I would like  
13 to thank the committee for the opportunity to testify  
14 today on behalf of DCWP Commissioner Lorilei Salas  
15 but Introduction 108, a Bill that would prohibit  
16 hiring parties from requiring freelancers to enter  
17 noncompete agreements without compensation. DCWP  
18 supports the goal of this Bill and we look forward to  
19 working with the Council to ensure that Intro 108  
20 builds upon the existing freelances and free act  
21 framework to better protect workers. The Freelance  
22 Isn't a Free Act was signed into law by Mayor de  
23 Blasio in November 2016 and took effect in May 2017.  
24 The law establishes and enhances protections for free  
25 lance workers and is the only law of its kind in the

2 nation as sponsor Council Member Lander noted in his  
3 opening remarks. Under the Act, freelancers have the  
4 right to a written contract for work worth \$800 or  
5 more, timely payment and damages and attorney fees  
6 and successful suits for nonpayment and other  
7 violations of the act. The Act also protects against  
8 retaliation for the exercise of protected rights.  
9 Freelancers have access to DCWPs Court Navigation  
10 Program where full-time navigators can assist by  
11 responding to general inquiries about the law,  
12 conducting initial consultations, guiding freelancers  
13 through the Civil Court process and accepting  
14 complaints to start the formal administrative  
15 complaint procedure established by the Law. If a  
16 freelancer files a complaint with DCWP we promptly  
17 notify the hiring party who must respond within 20  
18 days. This process can motivate hiring parties to  
19 resolve disputes amicably before a claim is filed in  
20 state court. Freelancers can also file a private  
21 lawsuit in the state court with or without having  
22 gone through the DCWPs Administrative Process or  
23 Court Navigation Program. DCWP is proud of the  
24 results that we have achieved for freelancers in the  
25 two years since the Freelancers and Free Act first

took effect. In May 2018, DCWP released demanding rights in an on-demand economy, key findings from year one of NYC Freelances and Free Act, copies of which have been provided to all of the members of the Committee today. This report showed the majority of freelancers who use DCWPs navigation program in its first year secured payment from their hiring parties. Most complainants who secured payment did not need to pursue their complaint in court and the complainants come from a wide range of industries and occupations. Demanding rights also found that freelancers who file complaints report a high level of satisfaction with the navigation program. DCW will use information gathered from surveys and reports like this one to continue to refine and improve our implementation of the law. The Acts success has continued into this year. Through May 2019, DCWP has received more than 930 complaints from freelancers and fielded only 600 inquiries about the Law. The most common allegations are related to payment violations including late payment and nonpayment for services. In that same period DCA has assisted more than 300 freelancers and recovering more than \$1,100,0000 in lost wages with an average recovery of \$3,213 per freelancer. We

2 believe that the success of the Acts first two years  
3 serves to show that the law is working and that  
4 freelancers are being educated and empowered to  
5 enforce their rights and importantly paid for their  
6 work. DCWP supports the goals of regulating  
7 noncompete agreements in freelancer contracts.  
8 Freelancers lack the job security of traditional  
9 employees and it is often important for freelancers  
10 to be able to receive work from a broad client base  
11 both during contracts or shortly after they conclude  
12 in order to support themselves. Noncompete  
13 agreements severely restrict a freelancer's ability  
14 to find work, especially in concentrated industries  
15 where most hiring parties are in competition.  
16 Unfortunately, some freelancers may feel powerless to  
17 push back on the inclusion of a noncompete agreement  
18 in their contract even if it does harm their ability  
19 to find other work because the practice is seen as  
20 standard in their industry or because the hiring  
21 party has more bargaining power in that situation.  
22 DCWP looks forward to working with the Council to  
23 ensure that Intro 108 protects freelancers while  
24 building on the framework and services successfully  
25 established by the Act. We believe that these

2 protections would be more effective and complementary  
3 to the Act if they were incorporated as an amendment  
4 rather than added as a freestanding regulation.  
5 Requirements related to noncompete agreements should  
6 be integrated into the existing structure for  
7 freelancers which educates and empowers these workers  
8 to enforce their rights through a private right of  
9 action and provides for a tailored complaint process  
10 at DCWP. Instead of requiring DCWP to establish and  
11 develop a new enforcement procedure, this approach  
12 would recognize the success already achieved by the  
13 Act and seek to expand upon it. DCWP also feels that  
14 additional research is needed to ensure that the new  
15 regulations on noncompete agreements do not  
16 inadvertently undermine existing state common law  
17 safe guards related to the purpose and scope of such  
18 agreements. The Law Department is currently  
19 reviewing the Legislation for this and other reasons.  
20 Thank you for the opportunity to testify today. I am  
21 now happy to answer any questions.

22 CHAIRPERSON I. DANEEK MILLER: Okay,  
23 great so uhm while we have the Administration here  
24 covering with the knowledge and resources to address,  
25 certainly all three Bills we are kind of going to go

2 back and forth and I know some of my colleagues in  
3 the interest of time I want to make sure that they  
4 get to the mic but I do want to kind of start out  
5 with, with, with my Bill and the Worker's  
6 Compensation and ask a few questions there. I'd like  
7 to begin with uhm, how, how is it different, how does  
8 this Bill uhm that is being introduced differ from  
9 how data is currently being collected and used?

10 MINDY ROLLER: I think that this Bill  
11 seems to be, request, sorry about that. It seems to  
12 me that this Bill is requesting additional data  
13 points. I don't think it changes anything in the way  
14 of collecting or reporting the data.

15 CHAIRPERSON I. DANEEK MILLER: So, this  
16 Bill specifically asks, not necessarily to, first of  
17 all, that Worker's Comp specifically reports the data  
18 but secondly that the data is used to uhm so, we are  
19 talking about COOSH and their, their responsibilities  
20 and workforce world. And how they are charged with  
21 keeping workforce safe. But it appears to me based  
22 on the testimony that I've heard is what they are  
23 doing is kind of generic based on things that may  
24 impact an entire workforce and what we are attempting  
25 to do here is identify specific workforce, workplace

2 hazards that contribute to Worker's Compensation or  
3 workplace injuries. How then, are, is there any data  
4 to support that it is being given to specific  
5 agencies to address specific injuries which is why we  
6 are asking for the data to be presented in that  
7 manner?

8 MINDY ROLLER: Well I just want to speak  
9 first to say that the agencies themselves actually do  
10 have this information since they would be providing  
11 it to us. Uhm I think it is certainly valuable for  
12 them to review it and create workplace safety  
13 programs as a result of the information provided.  
14 Uhm.

15 SUZANNE LYNN: Uhm, Council Member if I  
16 can just address the, what COOSH does, what, what  
17 COOSH really does, a lot of what COOSH does is really  
18 to work with individual agencies to help them if  
19 they, if they are requested by the agency to help.  
20 Uhm to look at what is going on at their agency, to  
21 analyze their data and to create programs  
22 specifically for the needs of that agency because  
23 every agency as you know is different. So, it's  
24 COOSH does do a lot of citywide trainings, etc.,  
25 which I think you were referring to but it also does

2 a lot of work with individual agencies to help them  
3 craft their programs.

4 CHAIRPERSON I. DANEEK MILLER: Can you be  
5 specific?

6 SUZANNE LYNN: Sure, I'm going to turn it  
7 over to Jackie Terlonge to give you a couple of  
8 examples of such programs with the agencies.

9 JACQUELINE TERLONGE: So, one particular  
10 agency is the Workplace Prevention Program and that  
11 scope of work, safety and health coordinator. Each  
12 agency has a safety and health coordinator and that  
13 individual is in charge of maintaining and  
14 establishing a safety and health program. In the  
15 particular workplace violence arena, the safety and  
16 health coordinator would conduct what is called a  
17 risk assessment and would walk around to determine  
18 what hazards exist in a workplace and then design  
19 measures to protect the worker. Once that is  
20 established, policies are written and the employ... by  
21 the agency and employees are trained on those  
22 procedures. Annual review is performed uhm with  
23 members of both labor, labor relations, labor unions  
24 and the City agency in order to ensure that the

2 appropriate measures have been designed in order to  
3 ensure worker protection.

4 CHAIRPERSON I. DANEEK MILLER: I, I, I  
5 certainly get and understand the intent but can you  
6 be specific as to what agencies have come up by  
7 virtue of, of, of these health and safety committees,  
8 these joint labor management health and safety  
9 committees that these suggestions have been taken,  
10 applied and have been utilized to mitigate workplace  
11 safety and that we can show through, the Worker's  
12 Comp data that we've been able to mitigate, some,  
13 some ongoing workplace environmental safety issues.

14 JACQUELINE TERLONGE: So, I can give a  
15 clear example of the Department of Transportation.  
16 There have been instances, a number of instances  
17 where a number of employees have reported exposure to  
18 chemicals and have reported sensitivity. In those  
19 instances our office has collaborated with the safety  
20 and health unit, we've conducted air monitoring in  
21 those locations to test whether or not there are any  
22 contaminants in the air, we've provided  
23 recommendations to their facility units to balance  
24 the air as well as ensure that the facility's  
25 department has designs and operations and maintenance

2 place to ensure that there is routine monitoring of  
3 those systems and then the employees are encouraged  
4 to report if there are any reoccurring issues to  
5 address any potential workplace incidents I should  
6 say.

7           CHAIRPERSON I. DANEEK MILLER: And, and  
8 those are almost cata, catastrophic experiences that,  
9 that workers may incur but on a day to day basis what  
10 are we seeing? Cause it's interesting that you  
11 mentioned DOT because I think according to the data,  
12 they have the highest number of worker's comp claims  
13 or at least the top, well, they are the top five.  
14 Uhm amongst those city agencies and, and, and so, in,  
15 are you working with uhm those organized labor  
16 bargaining units that represent those committees as  
17 well, are they are a part of these and are we  
18 utilizing the data that comes from worker's  
19 compensation and beyond worker's compensation because  
20 what we are talking about now is being able to  
21 mitigate not just cause but, but long term sustained  
22 injuries by workers and so in doing so, what is not  
23 captured in this, uhm, Legislation is the uniformed  
24 workforce right? And what is the relationship with  
25 the uniformed workforce and what are we doing to make

2 sure that, whether it is equipment? It is how  
3 services are performed and things of that nature  
4 there? That we are able to make sure that we are  
5 creating the safest work environment for all of our  
6 workers.

7 JACQUELINE TERLONGE: So, in, in the case  
8 of uniformed workers, our office does not work  
9 directly with uniformed workers, but to touch on the  
10 comments you made earlier, uhm, we can go back to the  
11 Department of Transportation, uhm there are quarterly  
12 meetings with representatives of DOTs management as  
13 well as COOSH and labor unions that do in fact review  
14 agency incidents and then address any concerns raised  
15 either by the employee or the labor union.

16 CHAIRPERSON I. DANEEK MILLER: So,  
17 because DOT has a high number of claims, would you  
18 submit that most of them are based on what you said  
19 there, about some of the uhm, so based on what you  
20 said in terms about the, uhm, the exposure, chemical  
21 and other exposure is that the majority of those  
22 claims?

23 JACQUELINE TERLONGE: I wouldn't be able  
24 to speak on what the claims are.

2 CHAIRPERSON I. DANEEK MILLER: So,  
3 worker's comp did you have that data there, and, and  
4 that uhm certainly DOT is one of the leading  
5 agencies. Uhm what specifically, where are those  
6 claims coming from? Have you been able to identify  
7 that considering that that is the nexus of this  
8 Legislation to be able to identify and, and uh, and  
9 mitigate those circumstances that potentially injure  
10 workers?

11 JACQUELINE TERLONGE: I, it would be  
12 impossible for me to really speculate as to  
13 specifically which type of claims are uhm, you know  
14 causing this particular jump. Cause if you look at  
15 it carefully there are claims, it is not really the  
16 number of cases that only that have jumped so  
17 significantly but the value of the cases as well, the  
18 financial increase has been dramatic. We've noticed  
19 it. We generally reach out to agencies to try to  
20 discuss this with them but in terms of speculating as  
21 to specific uhm causes, it would be speculated by my  
22 part.

23 CHAIRPERSON I. DANEEK MILLER: Okay uhm.  
24 I, how many agencies participate in, in COOSH? Not

2 how many, I know that they all potentially can, how  
3 many are actually participating.

4 JACQUELINE TERLONGE: Well, as uhm as I  
5 said in my testimony, last year COOSH conducted 21  
6 trainings and they were attended by 54 discrete  
7 agencies that would include the vast majority of  
8 which were mayoral agencies but also included some  
9 cultural institutions and some offices of elected  
10 officials as well.

11 CHAIRPERSON I. DANEEK MILLER: And, and  
12 again how many of those 21 trainings was specific to,  
13 specific industry training to address uhm mitigation  
14 of, of, workplace injuries?

15 JACQUELINE TERLONGE: All of them, they,  
16 they, all of the trainings touch on that subject to  
17 some degree.

18 CHAIRPERSON I. DANEEK MILLER: Can I be  
19 more specific here because I think we are not. So,  
20 so, I'm a lifelin... a lifetime civil servant myself,  
21 right and of course many different agencies. Last  
22 year, last year I had a surgery, I had a cervical  
23 triple diskectomy fusion. Alright, which was caused  
24 by over the road and other things right that are very  
25 systemic to, to driving trucks and buses and anything

2 over the road and things of that nature there.  
3 Right, that is something that is easily identifiable,  
4 right, when you go back and you look at claims and  
5 there are a number of claims that have back and knee  
6 and neck injuries for specific industry. That's low  
7 hanging fruit, what we are asking you all is to go  
8 into each agency and be able to identify that low  
9 hanging fruit so that people don't have these, have  
10 to live their lives and, and, in agonizing pain.  
11 Alright and which is the case that happens more than,  
12 more, in many cases and, and because uhm we are not  
13 necessarily identifying the industry, uhm, habits,  
14 and that contribute to these things, they continue to  
15 manifest themselves and so what is what we are  
16 saying. How do we, how do we look at specific  
17 injuries? I'm sorry industries and injuries and then  
18 be able to take this data and mitigate that?

19 JACQUELINE TERLONGE: So, I'd, I'd, like  
20 to start off by saying that the agencies are, are  
21 taking the charge of designing customized programs  
22 and the foundation of every safety and health program  
23 involves what is called a job hazard analysis and  
24 COOSH has taken great efforts in order to ensure that  
25 agencies are using this process as the foundation of

2 safety and health programs. In the case that you  
3 just mentioned, a job hazard analysis looks at the  
4 worker, either the title or the job function and then  
5 evaluates what the hazards are specifically to that  
6 job title or job function and then comes up with  
7 specific systems in order to protect the worker.  
8 Those systems can include developing specific  
9 standard operating procedures in the case of driving,  
10 maybe that you need to take brakes. Also, we may  
11 make recommendations with the hazard to develop  
12 specific personal protective equipment. In some  
13 cases, employees need to wear gloves and then the  
14 final piece is whether there are any barrier  
15 protections to separate or isolate the employee from  
16 that particular job function. The final pieces to  
17 develop a policy in order to serve as the reference  
18 for the employee and then design appropriate training  
19 material so that the employee can follow a plan in  
20 order to ensure protection.

21 CHAIRPERSON I. DANEEK MILLER: So, so I  
22 just used my case as an example. But having been,  
23 obviously trained safety officer and all of that  
24 background and that stuff there, I visited, actually  
25 a city yard last week and often I have the

2 opportunity to do that and I look at the equipment  
3 that has not changed, the ergonomics of the equipment  
4 that has not changed for years. That they are  
5 standard within industry, air seats that happen that  
6 don't exist in many, many of the trucks and equipment  
7 that exist within the City that is a standard  
8 contributor to things like over the road  
9 reverberation and neck and back injuries and so forth  
10 that has not happened. As I look at what protects,  
11 even the customer and consumer and in according with  
12 the Council's vision zeros mandates and Legislation.  
13 The only thing that has been changed is what has been  
14 mandated to change by this Council. The mirrors that  
15 happen continue to look exactly the same. And that  
16 is a problem, not only is it endangering the  
17 pedestrians but in order for those, those drivers to,  
18 to mitigate those blind spots. They are taught and  
19 required to lean in and out, 50, 100 times a day, all  
20 of that is unnatural on the spine. All of that is  
21 preventive if there was a proper investment in the  
22 proper mirrors, the proper seating and things of that  
23 nature there. How do we use this information and  
24 data, captured at, to, to make a, create a better  
25 work environment for workers which is kind of the

2 purpose of what we are talking about here and I'm,  
3 and I'm not sure that we are getting that and if, if  
4 you are, uhm how then have we used this data in the  
5 past to create a better work environment for, for,  
6 those agencies that have engaged COOSH because  
7 obviously everybody is not and there is also a charge  
8 for agencies to keep workers compensation numbers  
9 down. So, I want to talk about that and then I want  
10 to have Council Member Espinal in the interest of  
11 time to jump in to talk about his Bill but I do want  
12 to stay on that and talk about uhm claims, claims  
13 that had we saw a 17% increase in claims two years  
14 ago and then kind of a sharp dive in 2-1/2%, where is  
15 that coming from? How do we achieve that? And what  
16 work has been done, any that attributed to what we  
17 are talking about today?

18 MINDY ROLLER: Uhm, to the extent there  
19 is an explanation, I think there are a variety of  
20 reasons of why it might have occurred, it would again  
21 be speculative on my part to suggest what they might  
22 be, uhm we do notice the trends. We do pay attention  
23 them and we work in collaboration with the agencies  
24 in terms of administering the claims. I would say  
25 that there is not necessarily, the goal is to reduce

2 work place injuries generally uhm but that is not my  
3 division's mandate. My divisions mandate is to  
4 provide workers compensation benefits to make sure  
5 that injured employees get their medical treatment as  
6 quickly as possible and their wage replacement  
7 similarly as quickly as possible. Uhm but in terms,  
8 I think really, the the ownness of this and I think  
9 it is an admirable goal is to really, is with the  
10 agencies. They understand the nature of their  
11 workforce; the nature of the jobs and this  
12 information comes from the agencies. If you want it  
13 reported uniformly to return to them, I understand  
14 that but ultimately, I even think that this amendment  
15 indicates and correctly so that it rests with the  
16 agencies to supervise and oversee their own workplace  
17 health and safety prevention program.

18 CHAIRPERSON I. DANEEK MILLER: So, right  
19 now you guys are in charge with the reporting aspect  
20 of that now, so that's kind of why we are bringing it  
21 to you, plus you have the information of all of the  
22 agencies that do that. Aside from that, how, how,  
23 how benefits get paid in a timely fashion and people  
24 get back to work uhm that is a whole another hearing.  
25 I would submit that that is not the case either. So,

2 we can talk about how many cases were actually  
3 controverted and, and how many actual claims were  
4 paid, that is something that is totally different  
5 that may increase these numbers as well but we are  
6 not here to talk about that. We just say that we  
7 want to narrow it down to something more specific.  
8 With that being said, we are going to hear from  
9 Council Member Espinal, thank you.

10           RAFAEL ESPINAL: Thank you, Mr. Chairman,  
11 I appreciate you taking the time to letting me in a  
12 few words. I guess my question is to HPD, in regards  
13 to the Bill. So, the Agency and Administration  
14 currently is against the Bill as it is written?

15           GENOVESE MICHAEL: I think we are  
16 supportive of the goals of the Bill but you know  
17 devils in he details, want to make sure that we  
18 strike the right balance.

19           RAFAEL ESPINAL: So, the City, the City  
20 is currently already underwriting prevailing wages  
21 and affordable projects in districts like mine and  
22 other districts that were rezoned. What is the  
23 argument against, applying that same policy across  
24 the City when we also can make the argument that a  
25

2 lot of affordable housing that is going to be built  
3 over the next few years will be in these areas?

4 GENOVESE MICHAEL: Yeah of course so  
5 thank you for the question and of course, thank you  
6 for your partnership on the East New York rezoning.  
7 You know this Administration made a commitment to  
8 underwriting to prevailing wage in the rezoning areas  
9 as you noted. I think you know that those have been  
10 specific areas where the City across policy areas has  
11 been making you know considerable financial  
12 commitment so we have been able to do that for those  
13 projects. I think the concern about scaling that  
14 citywide is you know just a question of you know both  
15 cost and limiting some of the flexibility on the  
16 financing on those projects. I think you know at the  
17 end of the day you know I can step back a little bit  
18 to talk about how HPD finances affordable housing and  
19 how the private/public partnership works for us. You  
20 know private developers approaching us either because  
21 they own private land or if we are financing a  
22 project on publically owned land. They will then you  
23 know attract private financing for that project. If  
24 either the rents are low and there is a gap in that  
25 operating income or the cost of managing that

2 building is higher and that creates a further gap  
3 then HPD is going to provide extra subsidy up front  
4 to cover that gap you know so I think underwriting  
5 all of our projects citywide to prevailing wage is  
6 just going to you know add a pretty considerable  
7 increased cost across the board. Uhm I think we've  
8 been able to make that work in the rezoning areas but  
9 certainly have concern about scaling up citywide. I  
10 also do want to know because in the rezoning areas it  
11 does apply to both new construction and reservation  
12 that in light of rent regulation changes was passed  
13 last week, you know certain join the Administration  
14 in you know championing and being very excited about  
15 those changes. I think it is a huge win for tenants.  
16 We still have some analysis left to do about what  
17 that is going to mean cost-wise on our projects. I  
18 think that is going to be you know true in the  
19 rezoning areas and true across the board, so want to  
20 be careful about the directions that we are moving  
21 and while we do that analysis.

22                   RAFAEL ESPINAL: So, I guess what I am  
23 hearing is that the cost of course is the big, is a  
24 big concern. So, would you say that in order to get

2 prevailing wage as a project these projects are going  
3 to need more capital money?

4 GENOVESE MICHAEL: Correct, correct.

5 RAFAEL ESPINAL: Now aren't there ways  
6 where we can look at the underwriting assumptions and  
7 make certain tweaks in the front end of the project  
8 can get, can really get, we get an analysis of what  
9 the cost of the project will be in the back end so  
10 that we can be able to pay for these wages?

11 GENOVESE MICHAEL: Yeah, I think you know  
12 as an agency we are always looking on a project by  
13 project basis for ways to value engineer and to make  
14 sure that we are getting the best bang for our buck  
15 and you know spreading our subsidy as far as it can  
16 go. I think you know that's where the concern about  
17 the Legislation that is drafted comes in. I think  
18 you know, again, we can make it work project by  
19 project here and there but doing it whole scale  
20 across the whole portfolio is what raises concern.

21 RAFAEL ESPINAL: Well one of the whole  
22 scale things that is taken into account for these  
23 projects is a 5% vacancy rate, right. Does the  
24 Administration really believe that there is a 5%

2 vacancy rate in affordable housing in our City,  
3 across the City right now?

4 GENOVESE MICHAEL: Uhm so the 5% vacancy  
5 rate and I certainly appreciate the question and the  
6 you know creative thinking there. The 5% vacancy  
7 rate actually does not come from HPD, that is an  
8 industry wide standard. As I mentioned, you know  
9 where we are financing these projects, we are  
10 dependent on private investors lending money to  
11 developers. They underwrite to 5%, I think we have  
12 explored whether or not there is flexibility there.  
13 Uhm you know frankly I don't think that there is  
14 although happy to have further conversations and do  
15 just want to you know want to flag there that when  
16 they look at 5% vacancy, they aren't just assuming  
17 you know so an apartment is physically vacant. They  
18 are also taking into account whether or not there is  
19 going to be you know tenants who maybe aren't paying  
20 their rent on time or something like that and that is  
21 how they arrive at the 5% standard.

22 RAFAEL ESPINAL: Uhm just give me one  
23 second. The Mayor also made a commitment, right?  
24 Uhm originally to build 200,000 affordable housing  
25 units. He upped that number to 300,000 uhm and

2 called it an ambition goal. Were there any thoughts  
3 when those numbers were increased about how can we  
4 create good paying jobs instead of just looking at  
5 maximizing affordable housing units?

6 GENOVESE MICHAEL: You know I think this  
7 administration is always looking for ways again to  
8 both meet our affordable housing goals while also  
9 creating quality jobs. I mean you know as I  
10 mentioned those are both you know key goals that we  
11 have and it is about striking that balance. Uhm I  
12 can't speak to the specifics of how that goal was  
13 changed but I know that it is always front of mind  
14 for this Administration.

15 RAFAEL ESPINAL: Uhm I think it would  
16 have been welcomed. I think, a welcomed approach to  
17 look at how we could have created more prevailing  
18 wage jobs instead of just you know throwing a number  
19 of 300,000 units without taking into account that  
20 that was a real opportunity also to create good  
21 paying jobs. The Mayor also committed to creating  
22 100,000, over 100,000 good paying jobs in our City.  
23 I think that this would have been an opportunity to  
24 do this as well and this currently can still be an  
25 opportunity to do that. So, I am going to continue

2 pushing for this bill. I hear the concerns but I  
3 think that there are creative ways for us to move  
4 forward, for the, for the reason that I mentioned  
5 before, working in these major citywide rezonings so  
6 we look forward to continuing the conversation.

7 GENOVESE MICHAEL: Absolutely, we are  
8 looking forward to working with you.

9 RAFAEL ESPINAL: Thank you.

10 CHAIRPERSON I. DANEEK MILLER: Thank you  
11 Council Member, if I may just a moment while we have  
12 HPD in que there, how many, how many affordable  
13 projects are in que to happen now?

14 GENOVESE MICHAEL: Uhm so our goal right  
15 now is to finance \$25,000 units of affordable housing  
16 every year between now and 2026. You know the number  
17 of projects sort of varies year to year depending on  
18 project size. You know I think to roughly; you know  
19 if you exclude 421A, stand alone projects and some of  
20 our smaller home ownership loans. I think it is  
21 roughly 150 projects.

22 CHAIRPERSON I. DANEEK MILLER: 150  
23 projects.

24 GENOVESE MICHAEL: Yeah.

2 CHAIRPERSON I. DANEEK MILLER: And of  
3 those 150 projects, they very throughout the city?  
4 Right? And you say that their ability to, to be able  
5 to capture uhm prevailing wage is more on a case by  
6 case basis and so that would be kind of the, the  
7 Administrations concern as they move forward it  
8 couldn't be done universally. Is it, if, if it were  
9 a mandate is it, is there a benefit to having a  
10 multitude of developers or? A lesser number but more  
11 qualified developers? Is it clearly when you  
12 compensate people appropriately you kind of get more  
13 experience? Uhm and and a greater level of  
14 expertise.

15 GENOVESE MICHAEL: Uh-huh.

16 CHAIRPERSON I. DANEEK MILLER: Is that a  
17 concern as well?

18 GENOVESE MICHAEL: Yeah and I mean I  
19 think also do you just want to point specifically to  
20 the preservation projects, because in those cases we  
21 are really dependent on landlords or property owners  
22 coming to us and looking to you know negotiate a  
23 preservation deal and I think you know one we are  
24 happy to see that actually in the majority of the  
25 larger preservation projects we do we've worked

2 closely in this and doing this analysis with 32 BJ.

3 A lot of those buildings do already have labor

4 agreements and of course as we are financing those

5 projects, we are very respectful and supportive of

6 those agreements. But I think our concern for some

7 of those midlevel size buildings that you know might

8 be a smaller owner, might have less, they might have

9 less sophistication in working with the City and

10 might not want to come work with us as there are more

11 requirements on them to do so. So I think you know

12 and we can... you know it is one thing with developers

13 that we are working with either on our sites where we

14 have you know a little bit more control there but

15 certainly with existing buildings that are

16 approaching us for preservation deals, we need to be

17 able to work with a wide range of property owners in

18 order to provide those existing tenants with the

19 protections that they need.

20 CHAIRPERSON I. DANEEK MILLER: So, so

21 would HPD be willing to bring this plethora of

22 experience and resources to the table as we kind of

23 hash through this Legislation to figure out how we

24 ensure that as many, that we capture as many of our

25 target audience in making sure that workers, uhm have

2 proper compensation for the skills and work that they  
3 and the services that are being delivered?

4 GENOVESE MICHAEL: Yes.

5 CHAIRPERSON I. DANEEK MILLER: Would you  
6 be willing to do that?

7 GENOVESE MILLER: Absolutely. I think  
8 you know HPD you know from the top on down is  
9 certainly ready to continue conversations both with  
10 labor and with the Counsel.

11 CHAIRPERSON I. DANEEK MILLER: Okay.  
12 Thank you. Council Member Adams.

13 ADRIENNE ADAMS: Thank you Mr. Chair, uhm  
14 good morning Genovese we are working you out today.

15 GENOVESE MICHAEL: Yeah, we will spend  
16 all day together.

17 ADRIENNE ADAMS: All day together. Uhm I  
18 too am a sponsor of 1321A so I am just going to ask a  
19 couple of questions. In your testimony you spoke a  
20 lot about financial stress for developers and  
21 managers so I am glad that we are having the  
22 conversation around wages and employment as it  
23 pertains to the workers around the buildings and  
24 around the development of these projects. How are

2 added cost for wages and benefits covered within the  
3 development budget?

4 GENOVESE MICHAEL: Yeah so uhm you know  
5 at the start of a project when we are either sizing a  
6 loan or looking at subsidy, we are thinking about  
7 what the operating expenses of that building is going  
8 to be over the lifetime of that building and  
9 certainly over the lifetime of our regulatory  
10 agreement with that building. Uhm so if we are  
11 seeing that we are trying to set rents at a certain  
12 amount you know the serve the New Yorkers who need it  
13 the most, that is obviously going to impact that  
14 operating income and as we are uhm encouraging higher  
15 wages that is also going to take away from that net  
16 operating income and so when we, private developers  
17 are working with banks to provide financing that  
18 means that those financial institutions are going to  
19 provide a smaller loan for the period of time because  
20 you know, they know that that developer is going to  
21 be able to, is going to be generating less income  
22 which means up front HPD has to provide more capital  
23 in order to make the financing pan out and to allow  
24 us to actually be able to close the deal. I think by  
25 you know just by way of example; we estimate it is

2 \$9300 per unit that we need to add for prevailing  
3 wage for building service workers.

4 ADRIENNE ADAMS: Okay so along those same  
5 lines, do you foresee the cost of this Legislation  
6 321A uhm decreasing the number of affordable units  
7 created?

8 GENOVESE MICHAEL: You know so I think as  
9 I said we think it is \$9300 per unit. I think this  
10 Administration is really committed to hitting that  
11 300,000-unit mark so I think you know we would have  
12 to figure out how to move forward if the Bill passed  
13 as is. I think it is more likely that it would have  
14 an impact on our ability to do you know housing for  
15 the lowest income New Yorkers as opposed to actually  
16 taking units off line.

17 ADRIENNE ADAMS: Okay.

18 GENOVESE MICHAEL: Uhm and then, sorry  
19 just to add to that I do have concerns about  
20 preservation projects where developers who otherwise  
21 would have come to us might not want to come to us.

22 ADRIENNE ADAMS: Alright, I'll ask one  
23 more question around the same subject. We are  
24 talking about low income neighborhoods, how much of  
25 the affordable housing built-in low-income

2 neighborhoods would you say is available to residents  
3 of the local neighborhoods?

4 GENOVESE MICHAEL: Yeah so I don't have  
5 those exact numbers in front of me, can certainly  
6 follow up with you but I think you know of the  
7 123,000 units we have built so far under the housing  
8 plan, 40% are available to the lowest income New  
9 Yorkers but again happy to followup with more details  
10 with you.

11 ADRIENNE ADAMS: Okay, I just think that  
12 it is a really significant concern that, that HPD and  
13 housing New York do not contradict what we are  
14 setting out to do and that is build affordable  
15 housing but we want to be able to supply the  
16 employment opportunities for those that need  
17 affordable housing the most.

18 GENOVESE MICHAEL: Yep, I think that is  
19 absolutely a shared goal and we look forward to  
20 working with you on it.

21 ADRIENNE ADAMS: Thank you.

22 CHAIRPERSON I. DANEEK MILLER: Council  
23 Member Lander?

24 BRAD LANDER: Thanks very much and I will  
25 start with my questions on 1321A since the build here

2 and then I will ask about 108. Uhm I mean I guess; I  
3 think getting some clarity on the numbers is really  
4 what we need and though you said it I don't think it  
5 is in your written testimony. I think it will be  
6 really helpful for us to understand the numbers that  
7 we are talking about and it seems to me that is like  
8 clarity on what we think the additional capital  
9 subsidy is, what percent that is of the average  
10 subsidy per unit.

11 GENOVESE MICHAEL: Yes.

12 BRAD LANDER: But then also on the other  
13 side what we think the difference it means in a  
14 workers kind of life is because that, I guess \$9300,  
15 so one time up front capital cost but it is buying us  
16 the prevailing wage package for the life of the  
17 project, so we are talking over a 30 year span what  
18 that means in the wages, benefits and retirement  
19 security of the workers. So, I guess I want to start  
20 there. Does HPD have a sense, you talked about  
21 what's in the portfolio of like the difference  
22 between what a worker in the prevailing wage project  
23 for building service is mak... is earning and what  
24 their health and retirement package is and obviously  
25 we will ask some of the workers in the, in the union

2 as well, but we got to look at both sides of the  
3 ledger here.

4 GENOVESE MICHAEL: Yeah, absolutely. So,  
5 we, in our underwriting, we underwrite for a super to  
6 about \$56,000 per year as the annual salary. For a  
7 porter it is \$44,000 per year for their salary, you  
8 know I would obviously defer to both 32BJ and the  
9 controller's office who sets prevailing wage for you  
10 know those specific changes. I know it is sometimes.

11 BRAD LANDER: Those are what you  
12 underwrite to in a prevailing wage project or in the  
13 nonprevailing wage projects?

14 GENOVESE MICHAEL: That is in the  
15 nonprevailing wage projects.

16 BRAD LANDER: Okay and in the prevailing  
17 wage projects, what do you underwrite to?

18 GENOVESE MICHAEL: Uhm so my  
19 understanding and again will defer to 32BJ and of  
20 course the controller's office that is prevailing  
21 wage that we underwrite to, is that a super is at  
22 \$91,000 and a porter is at \$86,000.

23 BRAD LANDER: And that is both salary and  
24 benefits and retirement contributions, all in  
25 package?

2 GENOVESE MICHAEL: Uhm yeah.

3 BRAD LANDER: From the 56 and 44, we  
4 would need to understand what was, what was benefits  
5 as well if we wanted to figure out what they were  
6 actually earning per year.

7 GENOVESE MICHAEL: Yeah and you know of  
8 course important to know that for the super is that  
9 they are obviously receiving housing as well as part  
10 of that compensation package, which is not, you know  
11 included in the salary cost that we are underwriting  
12 too.

13 BRAD LANDER: Okay so we will dig in a  
14 little more I think getting perspective from the  
15 workers will help us really understand you know 44  
16 doesn't sound so bad but if then you are backing out  
17 whatever benefits there are, pretty soon we are going  
18 to have people like, if you made \$44,000 a year and  
19 you were a porter and you didn't have a unit, like  
20 what unit of HPD would you qualify for?

21 GENOVESE MICHAEL: So, I, I.

22 BRAD LANDER: Anticipated that I would  
23 ask that question.

24

25

2 GENOVESE MICHAEL: If you have these AMI  
3 cards, so I think for a family of 3, 6, it would be  
4 about 60% of AMI.

5 BRAD LANDER: Okay so if you are a porter  
6 in one of our buildings, you have to apply for what  
7 we call low income housing and produce not anywhere  
8 not enough units of if you want to have an affordable  
9 place to live in the City?

10 GENOVESE MICHAEL: Yeah, I mean I think  
11 the housing plan certainly is generating units at a  
12 variety of ranges so I think it would fit in here,  
13 but...

14 BRAD LANDER: I mean it's, do you agree  
15 that it is a bad idea to create jobs that we know in  
16 advance require you to find different affordable  
17 housing subsidized unit when we could for the other  
18 \$9300 bucks boost people up to a place where they  
19 wouldn't need that same affordable housing subsidy on  
20 top of their job?

21 GENOVESE MICHAEL: Yeah, I think  
22 certainly hear the concern. I think you know what we  
23 have been focused on is trying to strike that balance  
24 between you know creating and preserving the number

2 of affordable housing units we need to solve that  
3 crisis.

4           BRAD LANDER: It costs what it cost. So,  
5 I think with this I am just trying to get all the  
6 data out there right now. No one is trying to  
7 pretend away the extra money that it costs to build  
8 in to the subsidy in order to do it. But alright, so  
9 that is helpful I guess it was my last piece of data  
10 here and I appreciate what you have given us so far.  
11 What is the average, and I know it is obviously  
12 arranged depending on the program so if you want to  
13 give me one average or some program numbers, the  
14 average subsidy per unit in some of our, in some of  
15 our programs?

16           GENOVESE MICHAEL: It really depends you  
17 know based on the term sheet, uhm you know I think it  
18 is pro... roughly around \$150,000 a unit but I want to  
19 get back to you with specifics there.

20           BRAD LANDER: Okay, so, but you know what  
21 we are talking about here. You know it adds up if  
22 you are trying to push 300,000 units but you know we  
23 are talking about something that is well under 10% of  
24 the average cost in subsidy per unit.

2 GENOVESE MICHAEL: Yeah, I think that's,  
3 I think it is close to 10%, yeah.

4 BRAD LANDER: Or \$9300 of \$150,000 is not  
5 close to 10%.

6 GENOVESE MICHAEL: Yeah, I think, I mean  
7 it just depends on obviously the term sheet. I think  
8 some of them are 150. I know some are much lower  
9 particularly when we are looking at our preservation  
10 deals, like the you know green preservation loan  
11 program I mentioned in my testimony is \$50,000  
12 capital. A lot of those are much lower, so I think  
13 we certainly could have conversations.

14 BRAD LANDER: But it is true that the  
15 developments that have substantially lower capital  
16 subsidies tend not to be the overwhelmingly very low-  
17 income housing and so therefore their operating  
18 budgets on average are higher.

19 GENOVESE MICHAEL: I think still on the  
20 you know existing preservation deals that are coming  
21 to us you know we might not be putting in as much  
22 money up cost, up front to help finance the new  
23 construction but those buildings certainly often are  
24 going to have limited cash flow. And I think again,

2 I do want to reiterate that we want to do that  
3 analysis based on the...

4 BRAD LANDER: And I guess I will just end  
5 on this point, if you are doing additional analysis  
6 that really is looking at some different model deal  
7 types that would be really helpful to us in  
8 understanding you know what the real cost is and what  
9 the real impact is.

10 GENOVESE MICHAEL: Yeah, absolutely.

11 BRAD LANDER: Alright thank you. Just a  
12 couple of very quick questions on 108 because I think  
13 the Administrations testimony has a lot of useful  
14 things in it. I'm glad to look at restructuring the  
15 Bill to align it more specifically with the  
16 freelancers and free act enforcement which as you  
17 rightly said is a good creative model of how to  
18 enforce and implement a law in a way that reduces the  
19 amount of time people have to go to court and gets a  
20 lot of good compliance based on those initial  
21 outreach so thinking about doing that together,  
22 sounds good, I guess on that front, uhm two  
23 questions. One to what extent do we say that OPS has  
24 the resources that it needs for the demand it  
25 currently has and 2) you know we know one challenge

2 of both of these Bills, the Freelancers and Free Act  
3 and the new one proposed on noncompete is outreach,  
4 the people we are trying to cover, by definition are  
5 not in workplaces where they are going to see a  
6 poster put up on the wall. It is hard to reach  
7 people who are by definition independent and let them  
8 know their rights under the law, so could you talk  
9 about what kind of outreach you have done for  
10 Freelancers and Free Act and what you might  
11 anticipate doing to let people know about their  
12 rights under and expanded version that included this  
13 protection against unfair noncompete agreements.

14 CASEY ADAMS: Sure, and let me say up  
15 front that we agree that the freelance structure  
16 really is sort of an elegant solution to the problem  
17 here and we think it has done a lot for a lot of  
18 freelancers and the money that we talked about in our  
19 testimony that our, our resources have helped people  
20 secure means a lot to those freelancers, being paid  
21 for a job especially if it is already late means a  
22 lot to their lives which is something that you  
23 mentioned earlier. We want to make sure that that  
24 side of the ledger is thought about when we are  
25 having these discussions. So, on the resource front,

2 we are committed to enforcing the law, implementing  
3 the law to the best of our ability with the resources  
4 at our disposal. As I noted, we have full time court  
5 navigators who are available to freelancers both to  
6 handle inquiries and to guide them through the court  
7 navigation process and help them understand the  
8 rights and protections provided under the law and we  
9 are always in conversations with OMB about those  
10 issues. The, on the second piece, outreach is a big  
11 part of what we do at DCWP not just with our labor  
12 laws but with our other laws and we have a dedicated  
13 outreach team I believe it is now up to 8 people  
14 somewhere around there. We can confirm for you and  
15 they do outreach related to all of our laws. With  
16 this law specifically as I am sure that you remember,  
17 we did a big day of action. When this law first went  
18 into effect, we had people standing out across the  
19 City to distribute educational materials in multiple  
20 languages to people who might be freelancers, might  
21 know someone who is a freelancer, to help to raise  
22 awareness of the law. In addition to those types of  
23 direction action that we have done, we also include  
24 freelancer materials at any events that we go to  
25 where we think we might reach someone who is either

2 in that community or connected to that community.

3 So, when we are going out on business education.

4 When we are going out to talk to full time workers

5 about their rights. We are also usually bringing

6 along freelance materials on the off change that that

7 will reach someone that it is useful to. We also do

8 extensive public awareness campaigns. You may have

9 seen some of our ads on the subway that are helping

10 to reach the, the latest iterations reach workers

11 generally to let people know about the new DCWP and

12 that we have their back and we think that that will,

13 that will touch some freelancers as well. I think

14 we, if this law were to go and were to be passed, we

15 hope that we would get some of the changes that we

16 are discussing and I think that we would look at some

17 of those same outreach models that we have already

18 used so, doing direct action, engaging directly with

19 CBOs and advocates and employers and hiring parties

20 in this case and integrating this into our existing

21 outreach structure which we think is quite robust.

22 At this stage, we are always looking for ways to

23 improve it and of course as we always say at these

24 hearings, if any of you Council Members would like to

25

2 hold an event with us, please give me a call, we are  
3 happy to work with you on that.

4 BRAD LANDER: Just one final question,  
5 that goes to the rationale of the bill and I think  
6 developing our understanding of it. The purpose of  
7 noncompete agreement as I understand them, are  
8 ordinarily supposed to be so that you know if it is  
9 by a hiring party, they are protected if they are  
10 providing to the employee in most, in most cases,  
11 some sort of special knowledge. You know you get  
12 training, you get insights and it might be unfair to  
13 in some cases like bring the knowledge that you have  
14 to another competing entity but that really seems  
15 like what is not at, not at all what is happening  
16 with freelancers, I mean they don't get training, it  
17 is not that the company is paying for. In most of  
18 these cases, they are showing up to, you know, to  
19 provide their service so I don't. I'm not sure I  
20 even understand the rationale for them from the  
21 hiring party side other than putting the hiring party  
22 in a stronger competitive position, right, they then  
23 have a stable of workers that they control without  
24 any responsibilities to those workers. So I just,  
25 I'm trying to understand this well and make sure that

2 we are thinking about it from all angles but it  
3 really just seems like the way that noncompete are  
4 being used in relation to freelancers doesn't even  
5 have the basic rationale that you would want to think  
6 about in a competitive market place, like its sole  
7 purpose is to increase the bargaining power of one  
8 party at the expense of the others. Uhm do you see  
9 something that I am missing or does that sound like  
10 a.

11 CASEY ADAMS: I think your concerns are  
12 well founded. We would defer to hiring parties, I'm  
13 sure some of them are here today to speak to this to  
14 flush out their concerns and their reasons. I think  
15 that you are correct that under existing New York  
16 State Law there are restrictions on the purposes and  
17 scope of a noncompete and there has been some work  
18 that has been done about that by the State Attorney  
19 General's Office and we touch in our testimony, we  
20 want to make sure that whatever we do here is  
21 complementary to those protections rather than to  
22 interfering with them in some way, so State Law  
23 already recognizes the concern that you are raising  
24 that these noncompete really sure serve a purpose  
25 like for example, protecting trade secrets as opposed

2 to unilaterally increasing the bargaining power of  
3 one party in the transaction. So, we agree with you  
4 there but we would defer to hiring parties to flush  
5 that out on their reasoning.

6 BRAD LANDER: Thank you very much, thank  
7 you Mr. Chair.

8 CHAIRPERSON I. DANEEK MILLER: Thank you  
9 Council Member Lander and just on that note, as we do  
10 at most of these hearings over the last few years  
11 where we have introduced these Worker Protection  
12 Legislations, need to talk about workforce and  
13 ability to enforce. What does that look like in  
14 terms of this? Did we look at the numbers on how  
15 many folks would be impacted and whether or not we  
16 have sufficient workforce and resources to make sure  
17 that we have the proper oversight to make sure that  
18 this is being enforced?

19 CASEY ADAMS: Is that a question directed  
20 to us?

21 CHAIRPERSON I. DANEEK MILLER: Yes.

22 CASEY ADAMS: Yeah, so we think that this  
23 would be, we have a lot of agencies up here, I want  
24 make sure we are answering your question correctly.  
25 We, as I said we have dedicated court navigators and

2 our vision for the changes to this Bill is to  
3 leverage the resources that we already have and the  
4 enforcement structure that is already in place to  
5 ensure that the workers are getting the same services  
6 and the same complaint process that they get now  
7 where the assistance with these new requirements  
8 related to noncompete clauses so yes, I'm confident  
9 that we, we can implement the law with the resources  
10 are our disposal, that's, that's what we are always  
11 setting out to do. We will continue to have  
12 dedicated court navigators, if this law goes into  
13 effect, they will be trained on it. They will be  
14 able to assist freelancers and ready to do so.

15 CHAIRPERSON I. DANEEK MILLER: Thank you,  
16 thank you very much.

17 CASEY ADAMS: Sure.

18 CHAIRPERSON I. DANEEK MILLER: Uhm and  
19 on, sorry I'm back to 1604, could you explain the, as  
20 a review claim from 2016, 2017, and 2018 that there  
21 was a trending, between 16 and 17 there was a 17%  
22 increase and then last year we saw a 2-1/2% decrease.  
23 Could you explain where that came from? What those  
24 numbers look like?

2 MINDY ROLLER: I wish I could. Uhm  
3 honestly, we aren't, we are not in the business of  
4 necessarily explaining this we are in the business of  
5 processing these claims, so as to why there would be  
6 an increase.

7 CHAIRPERSON I. DANEEK MILLER: Not why,  
8 where did they come from?

9 MINDY ROLLER: Oh, you mean which  
10 agencies?

11 CHAIRPERSON I. DANEEK MILLER: Not  
12 necessarily even where, agencies, you can, say which  
13 agencies increase?

14 MINDY ROLLER: I think the agencies that  
15 increased dramatically were DOC and DOT. The reasons  
16 for that are not entirely clear but that would seem  
17 to be a big driver of this increase.

18 CHAIRPERSON I. DANEEK MILLER: Is it  
19 claims? Services? Medical Bills? What is it?

20 MINDY ROLLER: Uhm I think it is just the  
21 cl... not the number of claims themselves.

22 CHAIRPERSON I. DANEEK MILLER: Are you  
23 sure?

24 MINDY ROLLER: I am sure but maybe I'm  
25 not understanding your question.

2 CHAIRPERSON I. DANEEK MILLER: How much  
3 are we spending on... how much are we spending on, on,  
4 on medical bills? Practitioners and services?

5 MINDY ROLLER: Medical bills, I believe  
6 we are paying, the last report indicated \$58.5  
7 million in medical bills. Medical services.

8 CHAIRPERSON I. DANEEK MILLER: And that  
9 was for 18 in claims?

10 MINDY ROLLER: Yeah, \$338 million.

11 CHAIRPERSON I. DANEEK MILLER: Okay and  
12 uhm again across city, as you gather this data is  
13 there, is there something that is, that information  
14 that you have that has been reported and is not  
15 necessarily required to be reported and not  
16 necessarily in the report that we are not seeing  
17 here?

18 MINDY ROLLER: I don't think so.

19 CHAIRPERSON I. DANEEK MILLER: Okay.  
20 Okay. Thank you. Uhm. We are going to, I'm sorry,  
21 we've been joined by Council Member Kallos, yes and I  
22 think he had some questions. We were also joined by  
23 Council Member Ulrich. We will now hear from Council  
24 Member Ben Kallos.

2           BEN KALLOS: I want to start by thanking  
3 our Civil Service and Labor Chair I. Daneek Miller  
4 who comes from Labor as a president of a local union  
5 and has been fighting for our worker and families his  
6 entire career and has continued to do so in the City  
7 Council. I am a proud sponsor of Introduction of  
8 1321. I am proud to be wearing a certain color and  
9 I'm sure if I will get away with this but if I will  
10 try 32. Thank you I won't do that again but I want  
11 to thank all of the 32 BJ members for being here  
12 today. I see some familiar faces on the panel, at  
13 one point I was the Chair of the Planning,  
14 Dispositions and Concessions Committee where the City  
15 was building affordable housing on City Property or  
16 formerly city property and does anyone recall an  
17 occasion of me asking about wage rates and benefits  
18 for our City employees at hearings twice a month  
19 every month for 18 months.

20           JILL MAXWELL: Of course.

21           BEN KALLOS: So, I'm going to follow  
22 along these lines. I think that in my opinion 1321  
23 takes us in the right direction and I will just say  
24 representing the east side it is our building service  
25 workers that make the east side what it is and

2 constituents in my district love their building  
3 service workers, often times they are a part of the  
4 family, they are often, if there is Thanksgiving,  
5 there is often so much food downstairs, brought down  
6 by family members it is not even funny. And I will  
7 say that in my District I want to pay our building  
8 service workers more and uhm in fact every single  
9 holiday season we do so, so along those lines I want  
10 to talk a little bit about affordable housing and so  
11 the first issue is by creating poverty wage jobs so I  
12 am concerned that by creating property wage jobs that  
13 Housing New York is contradicting its own mandate to  
14 address our affordable housing crisis. Bad jobs are  
15 what create the need for affordable housing in the  
16 first place. Do you think it is inconsistent to  
17 build affordable housing in order to address poverty  
18 while creating low wage building service jobs that  
19 leave workers unable to afford some of the affordable  
20 housing we are even building because at minimum wage  
21 the job that affordable housing would have to be 30%  
22 of AMI but the bulk and majority is 60% and above.

23 JILL MAXWELL: And so, I appreciate the  
24 question and we actually had a similar back and forth  
25 with Council Member Lander earlier in this hearing.

2 Uhm you know what I think we shared is you know we  
3 underwrite to a \$56,000 salary for stupors, a \$44,000  
4 salary for porters. I think that is about a 70 and  
5 60% of AMI respectively. I think the housing plan  
6 certainly seeks to building housing for a variety of  
7 New Yorkers which we think that fits in there and you  
8 know again certainly share the goal of ensuring that  
9 this Administration is creating high quality jobs  
10 while also creating as many affordable housing units  
11 as possible and you know certainly here to speak to  
12 trying to strike that right balance. So, in terms of  
13 the \$44,165 a year that you underwrite for is that  
14 inclusive or exclusive of health insurance,  
15 disability insurance and a retirement? So, is that  
16 \$44,000 and then they get benefits on top of it that  
17 you are underwriting towards or just \$44,000 to all  
18 end?

19 JILL MAXWELL: Uhm that is what you know  
20 we underwrite to. I can't speak to benefits or wages  
21 at this moment. Again, you know happy to have  
22 further conversations, but, yeah.

23 BEN KALLOS: I think the concern is if  
24 the person has no benefits then they are going to be  
25 paying a fee to the IRS for not having health

2 insurance and if they do need health insurance, that,  
3 health insurance is expensive. Health insurance is  
4 really, really expensive, it is like \$1000 and with  
5 what the republicans have done to roll it back so, so  
6 if you are taking home \$44,000 and then you are  
7 immediately paying \$1000 a month out of pocket, that  
8 takes you down to \$32,000 a year before taxes. Like  
9 with tax... depending how you purchase it and that's  
10 even, and then with the housing cost and it just, is  
11 \$44,000 a year really enough to live on for anybody?

12 JILL MAXWELL: You know, again I think  
13 that we you know use the Housing Plan to try and  
14 create affordable housing at a range of incomes of  
15 you know, I can't speak specifically on a project by  
16 project basis on what developers are doing, uhm  
17 relative to health insurance or benefits of anything  
18 like that.

19 BEN KALLOS: Another piece of this is  
20 trying to have, I think my dream and as you know all  
21 the hearings, I always ask about local hire  
22 provisions and if somebody watching on TV heard about  
23 something in their neighborhood would have you so I  
24 guess one of the things is just that we need good  
25 jobs in low income communities where affordable

2 housing is often billed and where the workers often  
3 live. Can you share what the median income of these  
4 communities where City financed affordable housing is  
5 being built? And how much of the affordable housing  
6 being built-in low-income neighborhoods is available  
7 to residents in the local neighborhood and wouldn't  
8 ensure that local residents have access to good jobs  
9 in these projects be a key way to ensure that the  
10 affordable housing does not, that is can benefit  
11 people in the communities where it is located?

12 JILL MAXWELL: Yeah so, I don't have a  
13 neighborhood by neighborhood breakdown in front of  
14 me. Obviously happy to have further conversations  
15 with you about that. Uhm but as I mentioned in  
16 testimony of the 123,000 units that we finance to  
17 date, 40% of those are available to New Yorkers with  
18 the lowest incomes.

19 BEN KALLOS: Now the City is already  
20 underwriting prevailing wage and affordable housing  
21 projects in rezoning areas with MIHCQU demonstrating  
22 that you can do prevailing wage as part of affordable  
23 housing in some of the lowest income housing, what is  
24 the difference, like why can't we do it across the  
25 board? Why is it only limited to the rezonings?

2 JILL MAXWELL: Yeah so, we you know  
3 actually think about 10,000 of the units that we do  
4 this year, we estimate are either in to prevailing  
5 wage or are in buildings on preservation deals where  
6 there might be an existing labor contract which  
7 obviously, we respect when we are moving forward. I  
8 think the concern relative to the rezoning areas is  
9 really. Oh sorry, I just got a correction, I think I  
10 said 10,000 I meant 15,000. Uhm mixed up my numbers  
11 in my head there, uhm but I you know back to the  
12 rezoning question, I think it is just a question of  
13 scaling up. I think it is going you know is going to  
14 require us putting more subsidy in up front on those  
15 projects. We have done that in rezoning areas and I  
16 think our certainly willing to have conversations  
17 with the Council and have had ongoing conversations  
18 with our partners in labor but want to make sure that  
19 we get the balance right since you know some projects  
20 are just going to require a little bit more  
21 flexibility than others.

22 BEN KALLOS: And just to dig all the way  
23 into the numbers which you know I like to do. When  
24 we do, when you do affordable housing projects, these  
25 projects can be like 10s if not 100s of millions of

2 dollars, is that fair? Is that the scope of a lot of  
3 these projects?

4 JILL MAXWELL: These are very large  
5 projects, yes, many of them.

6 BEN KALLOS: And when you are talking  
7 about a building service worker if its  
8 rehabilitation, maybe it's a stupor for a cluster of  
9 buildings, a porter like you are talking sometimes I  
10 guess its three people you might have on a cluster or  
11 even on a building is that the minimum you would say?

12 JILL MAXWELL: Our financing assumes that  
13 there will be one worker for up to 65 units and it  
14 sort of scales from there.

15 BEN KALLOS: And like 65 units is a big  
16 project and that's against 10s of millions of dollars  
17 that is, probably 65 units might be a \$30 million  
18 project and so we are talking about as far as I  
19 understand the difference between paying some about  
20 \$38,000 a year in difference, is that?

21 JILL MAXWELL: I don't understand where  
22 you, I don't understand what that refers?

23 BEN KALLOS: So, I'm just drilling down  
24 to, we are talking about paying somebody \$44,165 a

2 year or paying somebody more of a living wage where  
3 they will make roughly \$38,000 more a year.

4 JILL MAXWELL: Sure.

5 BEN KALLOS: So, I guess on a \$30 million  
6 project how, what would the cost differential be, to  
7 have that one person per 65 units make a prevailing  
8 wage, a wage that they can live on in New York City?

9 JILL MAXWELL: Yeah so as you know, as I  
10 have said it is about \$9300 per unit obviously the  
11 total cost on that is going to depend on how large  
12 the building is. I do want to flag for you, which I  
13 flagged for some of our colleagues you know one of  
14 our concerns certainly here is our preservation deals  
15 where you know it is one thing if you are talking  
16 about a new construction project but on preservation  
17 deals particularly for those midsize buildings in the  
18 like 100 to 150 unit range.

19 BEN KALLOS: Uh-huh.

20 JILL MAXWELL: Uhm it's up to that  
21 property owner whether they are coming to the City to  
22 work with us and we certainly see plenty of property  
23 owners that come to us and might you know, those  
24 units are not otherwise regulated, they are not in a  
25 regulatory agreement, they aren't already rent

2 stabilized and the more requirements that we put on  
3 them, particularly if those are buildings where we  
4 are maybe just giving a tax exemption or the cost per  
5 unit is much lower, it is harder for us to actually  
6 make up that subsidy and we you know think that those  
7 owners might not actually want to work with us.

8 BEN KALLOS: Do you, does anyone on the  
9 panel have an estimate on this number, because I  
10 think we are literally talking about at this point  
11 \$38,000 per worker per 65 units on like multi-  
12 million-dollar projects so it seems awfully small to  
13 be fighting about.

14 JILL MAXWELL: To be clear I'm the only  
15 person from HPD on the panel right now.

16 BEN KALLOS: Okay, f, f, f, okay. Uhm I  
17 would like. Will you provide whatever supporting  
18 documentations you can come to with the \$9300  
19 differential per unit?

20 JILL MAXWELL: Uhm sure, I can followup  
21 with that and just do one of, I certainly want to  
22 reiterate to you and to the rest of the committee,  
23 you know I think HPD is certainly ready and willing  
24 to continue having this conversations to figure out  
25 the right way to strike the balance here.

2 BEN KALLOS: And at \$9300 a unit what is  
3 the total cost per unit in subsidies for HPD?

4 JILL MAXWELL: Uhm I think you know I  
5 don't have that number in front of me. I think it is  
6 going to depend a little bit on some of the language  
7 in the Bill. I think with the supportive housing  
8 carve out and you know exactly what projects are  
9 getting included, I don't have a, you know annual  
10 estimate in front of me.

11 BEN KALLOS: I want to clarify my  
12 question. You have an estimate per unit of how much  
13 it would cost to pay people prevailing wage, do you  
14 have an estimate of how much subsidy on average HPD  
15 gives to build each new unit of affordable housing?

16 JILL MAXWELL: Yes, so I think I had  
17 given a number before that I think might have been  
18 actually a little bit higher, uhm you very well know  
19 it depends term sheet to term sheet, you know some of  
20 our you know more deeply affordable, uhm terms sheets  
21 and certainly the ones that include supportive  
22 housing or our senior buildings require a lot more  
23 subsidy in order for us to make those projects work  
24 where as you have you know things like the Green  
25 Preservation Loan Program where we might be providing

2 closer to \$20,000 per unit. Uhm so it really depends  
3 on the project structure.

4 BEN KALLOS: Uhm new affordable housing,  
5 straight affordable housing, 60% to AMI, not for  
6 seniors, not for supportive, not for any of green  
7 deal just straight up the Mayor's Housing Plan to  
8 build 180,000 new units, new construction.

9 JILL MAXWELL: Yeah so, I had given a  
10 number that I thought the average was 150,000 before,  
11 I am worried that is incorrect and it is a little bit  
12 higher, so I would like to followup.

13 BEN KALLOS: I would est... I would  
14 estimate it is closer to \$225,000 million per unit or  
15 higher once you are all in with all of the additional  
16 subsidies but when you, so we are not even talking  
17 about. When you say it is \$9100 out of 150,000 you  
18 are not even talking about 10%, it is closer to 7-  
19 1/2%. And so, when folks say oh labor cost if we do  
20 a prevailing wage and pay people and give them  
21 benefits and give them training so no one dies on  
22 these construction sites, oh it's going to cost 20-  
23 30% more, we are in the single digits.

24 JILL MAXWELL: I want to be clear that  
25 what I'm here talking about today and what the number

2 is, is about building service workers, not about  
3 construction workers.

4 BEN KALLOS: Agreed. Uhm I want to thank  
5 you, I want to thank our chair and I want to thank  
6 all of my brothers and sisters at 32 BJ for being  
7 here today.

8 CHAIRPERSON I. DANEEK MILLER: Thank you  
9 Council Member Kallos for your insight and expertise  
10 as usual. I am going to call the next panel, we  
11 thank the panel for being here and we have additional  
12 questions that we will be forwarding over too,  
13 individually. So, the next panel is Shirley Aldebol,  
14 Justin Sinclair, Kyle Bragg, Sal Hernandez, Marilyn  
15 Vasquez. And Elizabeth Salinowik. Salinowik. Okay,  
16 please speak clearly, be concise and we have a ton of  
17 people to testify today so we are going to be on a  
18 hard clock. Why don't we start on this end here?

19 KYLE BRAGG: Thank you and good  
20 afternoon, uhm Chair Miller and members of the  
21 Committee, thank you for the opportunity to speak  
22 here today. I will in the interest of time and the  
23 many speakers who would like to testify today will  
24 try to attempt to be both concise and brief. My name  
25 is Kyle Bragg and I am Executive Vice-President,

2 Secretary/Treasure of SEIU local 32 BJ. My union  
3 represents 165,000 workers including department  
4 workers, janitors, security officers and airport  
5 workers. Of those members, 80,000 of them live right  
6 here in New York City. In fact, approximately 1 out  
7 of every 100 adult residents of New York City is a 32  
8 BJ member. If our 35,000 department workers, 3,000  
9 of them are proud affordable housing workers with  
10 good jobs. In fact, we represent the majority of  
11 non-NYCA affordable housing workers in the City.  
12 They take care of working-class families by day and  
13 earn enough to come home and take care of their own  
14 families at night. Today I want to touch on three  
15 points relating to the jobs, housing, and why we are  
16 urging the City Council to pass this Bill. First, we  
17 are facing affordable housing crisis but the crisis  
18 is fundamentally connected to a crisis of low-wage  
19 service work in our City. We cannot address the  
20 affordable housing crisis while growing the pool of  
21 jobs that place families in poverty and leave them  
22 without access to good healthcare and a secure  
23 retirement. Using public dollars to create housing  
24 for some while resigning others to live in insecurity  
25 and struggle just doesn't make sense. Intro 1321 is

2 a common sense piece of Legislation that will create  
3 good jobs while also supporting New York City  
4 continuing to pursue ambitious affordable housing  
5 goals and serving the most vulnerable populations.  
6 Second, failing to create prevailing wage jobs in the  
7 City Finance of Affordable Housing has serious  
8 consequences for working families, citywide, 32 BJ  
9 members have fought for many years to create strong  
10 wage and benefit standards in the residential  
11 building service sector including income restricted  
12 housing. But by allowing developers who benefit from  
13 tax payer money to pay poverty wages in new  
14 affordable housing develops, the City is undermining  
15 this high road. Continued inaction on this issue  
16 could drive the industry to a tipping point where  
17 good jobs become the exception not the rule. When  
18 this has happened in other industries employees have  
19 rushed to do whatever they could to break union  
20 contracts, outsource to low row contractors and force  
21 families into poverty. Our 3,000 members with good  
22 jobs and affordable housing and in fact all of our  
23 members in the residential industry are counting on  
24 you to make sure that this is not the destiny that  
25 awaits their families. Many of our members are here

2 and excited to share stories with you about what the  
3 prevailing wage actually means to them. Third, I  
4 want to emphasize how much more we need to do to  
5 support the low-income communities where most  
6 affordable housing is built. The nature of the  
7 affordable housing is built on the cheapest land  
8 available where public dollars go the furthest. It  
9 is also the nature of affordable housing that not all  
10 of the units can be made available to the local  
11 community members. As a lottery system has provided  
12 opportunity for New Yorkers from other parts of the  
13 City. At times, neighborhood residents are unable to  
14 qualify for available units because their income  
15 units are too low. For these reasons, it behooves us  
16 to support these communities with the permanent good  
17 jobs and affordable housing. New affordable housing  
18 being built in low-income neighborhoods should be a  
19 source of strength for those communities, not a  
20 source of poverty jobs. With this Bill, you have a  
21 change to truly make progress on our affordable  
22 housing crisis, protect and expand the good standards  
23 that are being given 10s of 1000s of workers in New  
24 York a chance to make it in our City and invest in  
25 good jobs and low-wage communities. So, I urge the

2 City Council to pass this and I want to thank you for  
3 your time today.

4                   SHIRLEY ALDEBOL: Good morning Chair  
5 Miller and Committee Members. My name is Shirley  
6 Aldebol and I am Vice-President of SEIU local 32 BJ.  
7 Thank you for the opportunity to testify here today  
8 on behalf of the unions 85,000 members in New York  
9 City. New York City's Affordable Housing Crisis has  
10 its origins in two concurrent trends. One, the  
11 stagnation or decline of wages for low-income workers  
12 and the inaccessibility of affordable housing. New  
13 York City's Affordable Housing Programs are currently  
14 only addressing one, the latter issue. This Bill,  
15 however, provides an opportunity to ad.. to address  
16 both causes of the affordable housing crisis. New  
17 York's Affordable Housing Programs can and should  
18 provide affordable housing and good jobs that allow  
19 workers to afford housing and provide for their  
20 families. We know that New York City can do this,  
21 because it already does. The City already requires  
22 prevailing wages at City Subsidized Affording Housing  
23 in over 30 units area wide rezoning neighborhoods,  
24 but we have to go further to ensure that all workers  
25 in affordable housing and protected going forward.

2 Low-wage work is one of the prime causes of  
3 affordable housing, of the affordable housing crisis.  
4 From December 2009 to June 2017, rent in New York  
5 City increased 3.9% but incomes only increased by  
6 1.8%. That is rent, that is that rent increase at  
7 more than twice the rate that incomes have increased.  
8 Further, the relatively smaller income increase has  
9 not been uniformly distributed. From 2009 to 2015  
10 the biggest wage gains have gone to higher paid  
11 workers and from 2009 to 2016 the biggest growth in  
12 jobs has been in the low-wage sector. The City  
13 should continue to fight against this trend of peltry  
14 wage gains and bad jobs as it has done through the  
15 existing Prevailing Wage Law, the Living Wage Law,  
16 the App Driver Compensation Standards and take  
17 additional steps to ensure that its subsidies are not  
18 used to create low-wage jobs in the affordable  
19 housing sector. Especially as any low-wage building  
20 service job also impacts higher paying jobs but  
21 putting downward pressure on wages. This Bill  
22 provides an opportunity for affordable housing  
23 programs to address both causes of the affordable  
24 housing crisis and does so through a method that has  
25 already been proven to work. On behalf of the

2 thousands of apartment workers, I urge you to support  
3 this Bill.

4 JUSTIN SINCLAIR: Good afternoon Chair  
5 and members of the Committee, my name is Justin  
6 Sinclair, I've been working for 32BJ for three years,  
7 I'm a property service worker. Prior to getting the  
8 job working as a property service worker, given the  
9 prevailing wage I worked in catering wherein the work  
10 was sporadic, I could get to take whatever shifts I  
11 could and then I'm missing out on many family  
12 gatherings and holiday events and just trying to make  
13 ends meet. When I finally got the prevailing job, my  
14 life changed. For the first time in 10 years I was  
15 actually go to the doctor. I hadn't gone to the  
16 doctor in forever. I was actually able to get  
17 glasses for the son when I went to the doctor.  
18 Before I couldn't get, I was nervous to go in there,  
19 I was embarrassed that he wanted an expensive pair  
20 and I couldn't afford those and now I can finally  
21 afford them but now finally I'm able to shift my  
22 focus from just trying to cover my day to day  
23 expenses and trying to focus on entrepreneurship in  
24 creating both for my family and for other people in  
25 my community. The people that work in Affordable

2 Housing are doing the same job that I am and they  
3 deserve to make the industry standard. When people  
4 are paid level wages you can take care of yourself  
5 and get back and do right by the community. This is  
6 not just of our individuals. This is about working  
7 people as a whole. You have an opportunity today to  
8 change the lives of working families and in turn  
9 working class communities will thrive. I urge you to  
10 vote yes.

11 ELIZABETH SALINOWIK (SP?): Good  
12 afternoon Chair Miller and members of the Committee.  
13 Thank you for the opportunity to testify today and  
14 thank you Speaker Corey Johnson for prioritizing the  
15 needs of workers. My name is Elizabeth Salinowik  
16 (SP?) and I have been a member of 32 BJ for two  
17 years. I am a commercial cleaner and I live in  
18 Astoria. When I first came to this country and before  
19 I got my current job my family struggled. I spent  
20 all of my money on rent and I had no money left for  
21 food. I was hard to tell my son we couldn't afford  
22 to eat together or buy him new sneakers. I had to  
23 worry about how I was going to put food on the table  
24 and figure out how we were going to survive. My life  
25 is easier now and make the prevailing wage I can

2 afford to support my family, address my health  
3 problems and get the surgery that I needed. Without  
4 my healthcare, I would not be alive right now. I  
5 have friends who make the minimum wage and live  
6 paycheck to paycheck. They have kids and often help  
7 them pay for food because they cannot afford it.  
8 Workers should not be put in this position. I urge  
9 you to pass this Bill. Thank you.

10 SAL HERNANDEZ: Good morning Chair Miller  
11 and members of the Committee. Thank you for the  
12 opportunity to testify today. And thank you speaker,  
13 Corey Johnson in bringing attention to the needs of  
14 workers. My name is Sal Hernandez. I have been a  
15 member for 11 years. I work as a handyperson in Sojo  
16 and I live in Risma Hill. Before making prevailing  
17 wages, I couldn't live in the, I had to live with  
18 relatives in order to make rent. We, with a  
19 prevailing wage job it means I can eat, it means I  
20 can pay rent, because of my health benefits. I don't  
21 have to pay out of pocket, my kids and go to the  
22 doctor and dentist. I can afford better quality  
23 clothes and I can save a little bit of money.  
24 Building service workers in affordable housing  
25 develops should make the prevailing wages so they can

2 make their rent, pay their bills and live in New York  
3 City with dignity. I hope the City Council passes  
4 this Bill. Thank you.

5 CHAIRPERSON I. DANEEK MILLER: Thank you  
6 and we've been joined by Council Member Moya who is  
7 Chairing his hearing next door and I know he is in.  
8 Did you have any questions?

9 FRANCISCO MOYA: No, I am.

10 CHAIRPERSON I. DANEEK MILLER: Okay so  
11 and I'm sure that you will be back. We have also  
12 been joined by Council Member Rosenthal and I know  
13 she has a question so I'm going to put you right to  
14 work and kick it over to Council Member.

15 HELEN ROSENTHAL: I appreciate you. I  
16 just came from another meeting. Uhm thank you so  
17 much Chair for holding this hearing. Thank you for  
18 being here today and testifying. I think it is  
19 important that we say out loud that while they fight  
20 for 15 was so important and so great to win it can't  
21 become the new normal and it certainly not a living  
22 wage. We need a prevailing wage for all workers.  
23 And so, I'm very excited about this Bill and I uhm,  
24 and I would, I'm glad to be a co-sponsor of it. But  
25 I want to share with you my concerns and, and I share

2 them because I need help in figuring out what to do.

3 Uhm, one of the sets of organizations that will be in  
4 the wonderful position of paying a prevailing wage,  
5 our non-profit CBOs, you know our senior centers,  
6 daycare centers that are freestanding and who I know  
7 want to pay all of their workers prevailing wage. In  
8 fact, if you look at the statistics about their  
9 workers, 65% are eligible for welfare. So, I am I'm  
10 thrilled that we would start to address this. My  
11 concern is that with, the payers, for senior services  
12 and for afterschool programs and daycare centers that  
13 the payers of those organizations will not pay for  
14 prevailing wage. In other words, my local senior  
15 center, community center, uhm gets is funded  
16 primarily by government. They have City funds, they  
17 have State funds and they have private donations and  
18 the City and the State are pretty stingy payers and it  
19 is one of the things that I've been working on is to  
20 get them to be better payers and we have had some  
21 successes over the last few years. This  
22 Administration put in money for COLAs and for some  
23 overhead costs and all workers got COLAs which is  
24 good. How do we get government to pay for workers to  
25 have a prevailing wage is my concern?

2 KYLE BRAGG: Thank you for your  
3 questions, Councilwoman Rosenthal. That's not  
4 particularly in my wheel well as to those industries  
5 but what I can say is that what we believe and what I  
6 believe strongly is that the no government dollar  
7 should be subsidizing poverty jobs and so I wish I  
8 had the answer for you as to why this, this is  
9 happening. Why the government allows it to happen?  
10 But speaking to our industry, I think you've heard  
11 from the benefits of our members who are receiving  
12 prevailing wages, those members are able to take care  
13 of their families, not depend on City Services and  
14 are also adding to the vitality of their communities  
15 that they live in by being economic engines in those  
16 communities. They take those dollars, they reinvest  
17 them into the communities and into the City, they pay  
18 taxes, they buy clothing, they use other services and  
19 so this money is being regenerated into, into the  
20 life and blood of this City and so I, all I can say  
21 is I agree with you but we also agree that public  
22 dollars should not be used to supplement or create  
23 poverty wage jobs.

24 HELEN ROSENTHAL: We are preaching to  
25 each other.

2 KYLE BRAGG: Yes.

3 HELEN ROSENTHAL: Thank you. Anyone  
4 else? Let me ask it a different way, would you help  
5 stand with me to make sure that government picks up  
6 the cost so that no uhm worker is uhm living in  
7 poverty and making sure that government picks up  
8 their share?

9 KYLE BRAGG: What I can say to you in the  
10 affirmative is that 32BJ has always been about  
11 raising people out of poverty and we stand with any  
12 partners whose objective is to create good wage jobs  
13 that allow people to work in both dignity and respect  
14 and also to be able to be part of the economic engine  
15 of our City and our State, so yes, uhm wherever there  
16 are people working in poverty, we stand with those  
17 people who are trying to lift them out of it.

18 HELEN ROSENTHAL: Thank you so much.

19 CHAIRPERSON I. DANEEK MILLER: Brad.

20 BRAD LANDER: Thank you Mr. Chair and  
21 thanks to all of you for being here. Uhm, I want to  
22 ask a question or two that follows on my questions to  
23 HPD because I realized some things after their  
24 questioning that I hadn't really backed out. So, you  
25 know they said to me that in a prevailing wage

2 situation they budget overall \$91,000 for a stupor,  
3 \$86,000 for a porter and in a nonprevailing situation  
4 \$56,000 and \$44,000 and I think it left the  
5 impression that that is the salary that people are  
6 being paid but of course that is just the total  
7 amount they are putting in the budget for all in, so  
8 that \$44,000 for a porter in a nonprevailing wage  
9 project includes a whole lot of things that are not  
10 that porters salary, right? So, payroll tax. Help  
11 me to get this right, payroll taxes, health benefits,  
12 what else do we have to drop down to before we figure  
13 out what that person is actually taking home. And  
14 this is a nonprevailing wage, they probably don't  
15 even have any retirement security at all but.

16 KYLE BRAGG: Well thank you again  
17 Councilman, I think Councilman Kallos has also had  
18 addressed that issue about the, the underwriting for  
19 these developments in that \$44,000 dollars obviously  
20 is not going all to wages. You have to provide  
21 healthcare by law and we know how expensive  
22 healthcare is. That is just the tip of the sword,  
23 right and so there are many costs that are associated  
24 with working. You take into consideration that  
25 workers have to travel to and from work. They have

2 ot provide for those families. They have to pay  
3 their own rents. And so, I, I can't, I can't uhm,  
4 take you through what that \$44,000 represents. I  
5 certainly can take you through what the \$78,500  
6 represents for our members. The 78.5 which is  
7 approximately the prevailing wage for entry level  
8 porter in our industry, provides a livable wage of  
9 24, a little more than \$24 an hour. It gives them  
10 access to training which allows them to advance in  
11 the industry and if they have children it gives them  
12 quality and affordable and access to quality and  
13 affordable healthcare and it gives them retirement  
14 security as well. And so, if you take into  
15 consideration the delta between and 44 and the 78,  
16 uhm what, what really are we fighting over? Why  
17 would we keep people in poverty and allow them to  
18 have to rely on city services to supplement their,  
19 their working every day, getting up to go to a job,  
20 doing a job that other members, 80-90% of workers in  
21 the City are being paid a living wage at, uhm but yet  
22 they have to themselves work everyday but then also  
23 depend on city services in order to survive and so I  
24 can't, I can't break down the \$44,000 but I certainly  
25 can tell you where that \$78,500 and how it goes to

2 both allow people to work in dignity and respect but  
3 also revitalizing our own city, that money gets  
4 regenerated back into the City. It gets regenerated  
5 back into the state, they pay taxes, they buy  
6 services, their kids are in schools. It's, it's the  
7 value is really being marginalized as we look at  
8 these numbers.

9 BRAD LANDER: Okay I appreciate that and  
10 actually obviously hearing the value of the  
11 additional amounts and what it buys for stability for  
12 families is, is very helpful. I think it would be  
13 good to work together afterwards and really figure  
14 out what it is really is down from 44, because  
15 understanding what folks are currently being paid, it  
16 would be really helpful in knowing you know who we  
17 are talking about and if that is more like the in  
18 lower 30s once you take out healthcare costs and  
19 payroll taxes and I don't know what all else, it  
20 would provide a different, it would be well below the  
21 60% of AMI that HPD responded to so I would like to  
22 understand that a little better and just my last  
23 point in note, building off or responding to Council  
24 Member Rosenthal's questions, you know we want  
25 everybody to be earning a decent way. One unique

2 situation here is that we are not in this case, even  
3 though these are public and subsidized buildings we  
4 don't have to you know, if we get the capital subsidy  
5 right so that the budget is built in a way that  
6 provides the workers to be paid the prevailing wage  
7 we don't have to come back every couple of years when  
8 the contract is renegotiated or that is a critical  
9 issue and needs to be focused on but if we underwrite  
10 these projects thoughtfully for their cost then over  
11 the length of the project, the next 30 years, we can  
12 make sure that all of the workers who are in there  
13 would have the benefit of this. They don't have that  
14 additional upfront cost and we can't just handwave at  
15 it. You know if it cost a bit extra, you know \$9300  
16 or whatever the precise number is, you know we either  
17 have to come up with that extra, 7, 8, 9% or we wind  
18 up with a little less affordable housing so that's on  
19 us to make sure that we are paying real attention to  
20 but the benefit then lasts the length of the project,  
21 so.

22 KYLE BRAGG: Thank you and I agree and we  
23 have some technical experts who will be testifying  
24 here today from our research department will be  
25 addressing those exact issues that you have raised

2 and Councilman Kallos also have raised and also other  
3 Council people.

4 BRAD LANDER: Thank you.

5 KYLE BRAGG: So, thank you very much.

6 CHAIRPERSON I. DANEEK MILLER: Thank you  
7 to the panel and we will then call our next panel in.  
8 Joel Shufro, Michael Gruber, Akim Watkins, Gary  
9 Smiley, Chester Rukazaskowisky (SP?) and Owen Boseley  
10 (SP?). Okay and please, we are going to be on a hard  
11 clock. Remind everyone to state your name for the  
12 record as you begin your testimony and if you had if  
13 we can start at one end to the other, that would be  
14 great.

15 MICHAEL GRUBER: Thank you Chairman  
16 Miller and members of the Council for allowing us to  
17 speak today. My name is Michael Gruber I am an  
18 attorney with the law firm of Pasternak, Toker,  
19 Zeikler, Walstatin and Romano and I represent injured  
20 workers before the Worker's Compensation Board. In  
21 spite making my living representing injured workers I  
22 am always happy to testify in support of any  
23 Legislation that promotes or encourages workplace  
24 safety. And I believe that the amendments to  
25 subdivision C of section 12-127 offered by Chairman

2 Miller do exactly that. Although the City has been  
3 required to report on workplace injuries for a number  
4 of years, the information provided in those reports  
5 is not comprehensive enough to allow us to reach and  
6 address the root causes of injuries at work. The  
7 current report is unusable in the fact that it does  
8 not allow us to determine what specific job duties  
9 cause or contribute to workplace injuries. The  
10 language added to the Bill by the offered amendments  
11 will allow us to better analyze workplace injuries.  
12 This new Legislation requires the City to report on  
13 workplace injuries not only by agency but also by job  
14 title. This is of critical importance because this  
15 new data will allow us to better identify patterns of  
16 injuries. We can identify why a worker in a certain  
17 job title has a higher incident of the injured than  
18 the worker who may be in a different job title but in  
19 the same agency. That differentiation is not  
20 currently made by the report promulgated by the City  
21 of New York. Once these patterns are identified,  
22 more effective and targeted interventional programs  
23 can be developed to try and reduce the risk factors  
24 for work place injuries. For significance for my  
25 client, the new Bill also requires the City to report

2 on what efforts each of its agency has made to offer  
3 modified duty assignments to those who have suffered  
4 workplace injuries. This helps my clients who are  
5 injured and are not able to go back to their jobs at  
6 full capacity but wish to go back to work in a  
7 modified duty position. It allows the report to  
8 address that issue and see what steps the agency,  
9 each agency is taking to offer modified duty programs  
10 to injured workers. All of these changes to the Law  
11 are geared toward the goal of not just knowing how  
12 many injuries, how many workers are injured at work  
13 but also how they are injured at work. What causes  
14 the injury, injuries at work and what we can do to  
15 try to avoid these injuries in the future. The  
16 result of all of these changes will be decreased  
17 workers compensation cost to the City of New York and  
18 a more and a safer workplace for City workers. Thank  
19 you.

20 JOEL SHUFRO: My name is Joel Shufro. I  
21 am the former Director of the New York Committee for  
22 Occupational Safety and Health, NYCOSH. However, I  
23 want to emphasize that I am speaking here as an  
24 individual and not representing NYCOSH or any other  
25 organization. I want to thank Council Member Miller

2 for holding these hearings and introducing the  
3 amendments and I want to thank my Council member for  
4 attending, Brad Lander who represents us well. I am  
5 here to support the amend, amendments in Intro 1604.  
6 Uhm, it was the intent of the sponsors of local law  
7 41 of 2004 to provide the City, its agencies, the  
8 unions representing New York City Employees,  
9 nonprofit advocacy organizations like NYCOSH and  
10 workers themselves with data about the scope and  
11 nature of workplace injuries and illnesses suffered  
12 by New York City Workers. The intent of those who  
13 introduced the law was to provide the agencies and  
14 unions to use their limited resources to develop  
15 targeted intervention programs in an effective  
16 manner. The amendment does nothing more than attempt  
17 to achieve what those who introduce the legislation  
18 some 15 years ago though the law was intended to do.  
19 Why is the amendment needed, unfortunately the law  
20 was written in a manner that the report issued by  
21 the, the New York City Department of Law, Worker's  
22 Compensation Division is relatively useful in  
23 identifying patterns of injuries and illnesses within  
24 City agencies, while the data needed to construct  
25 such a report and outlined in the first section of

2 the Law is collected and transmitted to the Mayor's  
3 Office, much of the data is not included in the  
4 report issued by the Department of Law. According to  
5 the most recent report, issued by the Department,  
6 18,131 workers compensation claims were for job  
7 related injuries and illnesses to New York City  
8 employees, were established in 2018 and this cost the  
9 City approximately \$25 million. These costs are  
10 added to the \$345 million that the City already pays  
11 for ongoing claims to workers who were contracted  
12 work place illnesses or were injured on the job in  
13 previous years. Placed in the context of New York  
14 City's Budget which is \$70 billion. This appears  
15 small but what we are talking about are recurring  
16 costs and the \$345 million that the City spends every  
17 year multiplied by let's say is 10 years is \$3.5  
18 billion, not a small amount of money. These are  
19 direct costs; they are not indirect costs which are  
20 estimated to be approximately by Liberty Mutual about  
21 five times the direct cost. Without good data, we  
22 cannot have programs to intervene in the workplace to  
23 establish programs to reduce these injuries and  
24 illnesses. Passing these amendments is a win-win for  
25 the City. The workers win because they have problems

2 that reduce human suffering, the City wins in lower  
3 costs. Thank you.

4 OWEN BOSELEY (SP?): Good afternoon,  
5 thank you for allowing me to speak here today. My  
6 name is Owen Boseley (SP?) president of FDNYMS local  
7 2507. I do not have the testimony; I just came here  
8 to let you be aware that while we support Resolution  
9 0040 there is one small language issue that excludes  
10 our members. The language has in it the wording of  
11 accidental disability, that would exclude our  
12 members, it needs to be changed to performance of  
13 duty. Prior to meeting here, to arriving here today  
14 we spoke with the staff of Cornegy and Koslowitz and  
15 with the Council Members they will review this  
16 wording. I just wanted to bring it to the attention  
17 of the Council. Thank you.

18 Good afternoon, Chair Miller and  
19 colleagues. Thank you for the time here, thank you  
20 for my time here today and thank you for taking up on  
21 Resolution 0040 which is an extremely important  
22 resolution that would resolve an ongoing nightmare  
23 for some NYCHA members especially members of the New  
24 York City Fire Department's Emergency Medical Service  
25 Command. My name is Gary Smiley and I served the

2 City of New York for 27 years as a paramedic, haztech  
3 paramedic, rescue paramedic, as well as a medical  
4 specialist on New York Task Force 1 which is the  
5 urban search and rescue task force. I currently  
6 serve as the World Trade Center liaison for the  
7 uniformed paramedics, inspectors and EMTs of the New  
8 York City Fire Department. I was critically injured  
9 in the collapse of the North Tower on September 11,  
10 after my unit responded within five minutes of the  
11 first plane striking the North Tower. I was in the  
12 hospital from a week suffering from crush syndrome,  
13 difficulty breathing, kidney failure, rhabdomyolysis  
14 and other injuries. I fought my way back to work in  
15 a job that I have loved since I was 19 years old and  
16 continued with my career even though I began to get  
17 sick very quickly after September 11<sup>th</sup>. I retired in  
18 2012 and moved out of New York City in hopes of  
19 continuing my career, but sooner realized that after  
20 only three months I was extremely sick and getting  
21 sicker. I am currently certified with the following  
22 World Trade Center illnesses, sinusitis,  
23 rhinosinusitis, GERD, asthma, reactive airway disease  
24 and posttraumatic stress disorder and yet to be  
25 certified illnesses by NYOSH including rheumatoid

2 arthritis, autoimmune disease and syndrome X  
3 diabetes. I got sick in early 2002 with World Trade  
4 Center cough, severe sinus and respiratory disease  
5 and was followed early on at Mt. Sinai's Medical  
6 Monitoring Clinic. My current treating doctor is Dr.  
7 Crane who is the Director of the World Trade Center  
8 Medical Monitoring at Mt. Sinai. I had major sinus  
9 surgery in 2005, 2006 and since has had 17 sinus  
10 procedures, developed a lesion in my left ear due to  
11 chronic sinus infections which has taken away most of  
12 my balance and equilibrium. I am also followed at  
13 Song Kettering for a cyst in my left kidney and  
14 spleen. Why this Legislation and Resolution are so  
15 important? After I retired, I tried to move, so I  
16 took \$50,000 out of my pension and bought a home in  
17 North Carolina. Got a job as a paramedic but within  
18 three months got very sick and had to have additional  
19 surgeries, which required me to move back to New York  
20 City. My house went into foreclosure. At the urging  
21 of my doctors and my family I moved back to New York  
22 but bounced around from rental to rental because I  
23 could not afford to live as I normally used to. And  
24 the reasons behind that are as follows. My NYCHAS  
25 timeline. On September 23, 2013 I applied for

2 reclassification for World Trade Center Disability  
3 Pension. In February of 2014 it was denied by  
4 NYCHOS, in March of 2014, I was sent for a  
5 psychiatric evaluation by NYCHAS. In March 2014, my  
6 appeal was denied. In December of 2014, the medical  
7 board again denied me. On April 7, 2015, I was  
8 approved by the New York State Workers Compensation  
9 Board for disability related to all of my 9/11  
10 illnesses listed above. September of 2015, NYCHOS  
11 sent me for a second psychiatric evaluation. On  
12 November 19<sup>th</sup> of 2015 I was approved by the Social  
13 Security Administration as permanently disabled due  
14 to my 9/11 illnesses. In December of 2015, once  
15 again the NYCHOS medical board denied my application  
16 for World Trade Center Disability. In March of 2015,  
17 NYCHAS gave a final denial. During these gaps in  
18 medical boards, my attorneys and I were supplying  
19 additional and updated medical documentation to  
20 NYCHAS. Approximately May of 2016, I was forced to  
21 file an article 78 proceeding in the State Supreme  
22 Court which cost me \$10,000. January 6 of 2017, the  
23 State Supreme Court returned my Article 78 proceeding  
24 remanding me back to the medical board as the judge  
25 threw out NYCHAS decision. Because that could only a

2 recommendation in March of 2017, NYCHA sent me for a  
3 second psychiatric evaluation ignoring all of my  
4 medical ailments. On November 9<sup>th</sup> of 2017, NYCHA  
5 approved me for ¾ disability pension for post-  
6 traumatic stress disorder ignoring every medical  
7 illness that has kept me from continuing my career as  
8 a paramedic. With regards to Resolution 0040 as my  
9 president stated it must read two very important  
10 things, performance of duty and/or World Trade Center  
11 Pension and it also must read, Social Security and/or  
12 New York State Workman's Comp Disability Decision.  
13 98% of my members don't have a Social Security  
14 Decision because they are still working but probably  
15 20 to 30 to 40% of World Trade Center and non-World  
16 Trade Center do have Workman's Comp Decisions  
17 labeling them as disabled. I want to add.

18 CHAIRPERSON I. DANEEK MILLER: You got to  
19 wrap up. You have to wrap up. We have to just. You  
20 have to wrap up and we want to do some questioning  
21 okay?

22 GARY SMILEY: If I can just add that this  
23 and other egregious actions by the NYCHAS Medical  
24 Board and its Chairman Dr. Botner are a direct result  
25 and attack against the FDNY World Trade Center Hero

2 Paramedics and Emergency Medical Technicians that  
3 responded that day. It is also my belief and the  
4 belief of many 9/11 advocates that NYCHAS behavior in  
5 giving World Trade Center Members a Disability  
6 Pension with a diagnosis of PTSD including PTSD as a  
7 part diagnosis are leaving out the World Trade Center  
8 Cancer Diagnosis as has happened in the past, is a  
9 direct attempt to deny our members the ability to  
10 receive a full victims compensation fund award or  
11 severely limit the member from receiving a full award  
12 as PTSD is non-compensable and leaving out a  
13 diagnosis also severely limits a member's VCF award.  
14 Thank you so much for my time.

15 CHAIRPERSON I. DANEEK MILLER: Okay.

16 Good afternoon Council Member Miller and  
17 Members of the Council. My name is Akim Watkins. I  
18 am a former FDNY EMS employee. I was injured in  
19 2013. I came on to the job in 2012. I have also  
20 been through a lot of things with NYCHAS. I went, I  
21 filed my application, NYCHAS called the police on me  
22 because I have psychiatric issues relating from my  
23 injury. I went to probably I would say over four  
24 Psych IMEs and the only reason NYCHAS is denying me  
25 is because I'm not having spinal surgery. Every

1 single one of the IMEs that NYCHAS has sent me to  
2 they have said that I was disabled. The first doctor  
3 that they sent me to said that I was disabled. They  
4 sent me to another doctor make him change his mind.  
5 I went through a reman with the Supreme Court after  
6 filing an Article 78 Preceding. I received Workers  
7 Compensation Disability. I was medically separated  
8 from the Fire Department, I receive Social Security  
9 Decision of Disability and the only reason why the  
10 judges cannot basically say that a person goes out  
11 unless it is a matter of law is because NYCHAS has  
12 the final say so and this resolution, urging you to  
13 push this Resolution, the NYCHAS Resolution would put  
14 a checks and balances to that so that once a person  
15 either gets Social Security or Worker's Compensation  
16 that NYCHAS would have to be bound to them by law to  
17 do the right thing because we have 9/11 victims, we  
18 have people who have hurt their back, we have people  
19 who have multiple injuries but NYCHAS just keeps  
20 taking people through the ringer because they can and  
21 I personally don't understand how a City Agency could  
22 overrule Social Security and Worker's Compensation  
23 and Fire Department Doctors and Specialists and send  
24 you back and forth and even ignore the doctors that  
25

2 they send you to and not even really allow your  
3 representation to give that doctor any evidence  
4 because they give the doctor their own supporting  
5 evidence. They shop around for doctors to give them  
6 their decision but every single doctor in my  
7 particular situation has said that I am disabled.  
8 They sent me to a Final Psych IME and that doctor  
9 said that I was disabled and NYCHAS is still saying  
10 that I am not disabled at this point in time and we  
11 are still in litigation but went through a reman and  
12 they are at, NYCHAS has the position where they are  
13 not going to look over my medical evidence. They  
14 have decided that they are not going to see me. They  
15 are saying that I can go back and work but they  
16 themselves are scared to be in a room with me alone  
17 because of psychiatric issues so I don't understand  
18 how you say that your scared to be in a room with an  
19 EMT or an EMS member and then say that these people  
20 can go back into the street and work. That  
21 absolutely makes absolutely no sense.

22 CHAIRPERSON I. DANEEK MILLER: I agree,  
23 agree. Uhm. Mr. Shufro. Uhm the Administration  
24 testified that having, that having occupational  
25 disease typically classified as a claim would not be

2 useful would not be useful to do so and that is  
3 currently all claims are reported to their agency  
4 whether it is an accident or an occupational disease.  
5 It is not captured in the report as such. Do you  
6 have any thoughts on that?

7 JOEL SHUFRO: Yeah well occupational  
8 disease is undercompensated in our system. A lot of  
9 government statistics show that approximately only  
10 about 5-10% of workers with occupational disease end  
11 up getting compensated. It is very important that  
12 the report make an attempt to delineate and designate  
13 those peo... those cases that are occupational disease  
14 cases. They are the most expensive cases and result  
15 in higher medical costs and wage replacement cases  
16 and so therefore trying to figure out how they arise  
17 will be really a very important. I believe also and  
18 I can be corrected by my friend here from the  
19 Worker's Compensation Firm that going through the  
20 system, there are two categories, accidents and  
21 occupational disease and they are, they have  
22 different legal terminologies and so they clas... it  
23 would not be hard for the agency to distinguish  
24 between those which are accidents and occupational  
25 diseases.

2                   MICHAEL GRUBER:  And I do agree with Mr.  
3 Shufro in that respect.  Although I have great  
4 respect for Ms. Roller who testified here earlier,  
5 uhm I do take issue with her statement that every  
6 single claim that is reported to an agency is  
7 reported to Law Department.  That has certainly not  
8 been my experience as a practitioner of worker's  
9 compensation before the board for 22 years.  In fact,  
10 my experience is that the vast majority of Worker's  
11 Compensation Claims in terms of Occupationally  
12 related illnesses or occupational disease or  
13 repetitive trauma claims are significantly  
14 underreported by the agency to the Law Department.  I  
15 have no doubt that the Law Department notifies the  
16 Worker's Compensation Board of every report it  
17 receives from an agency but that is a different  
18 question and that is a different statement to be made  
19 as to whether the agency reports it to the Law  
20 Department.  I have many clients; I do a lot of work  
21 with UFT.  A lot of paraprofessionals and they tell  
22 me that I go to my job to try to report an  
23 occupational illness, repetitive trauma type of claim  
24 and they tell me that since it is not a specific  
25 accident and I can't give them a specific accident

2 date that they cannot fill out the incident report  
3 which then triggers the report to the Law Department.  
4 So, I couldn't disagree more with Mr. Roller's  
5 statements that occupational injuries, occupational  
6 diseases, repetitive trauma claims should be excluded  
7 from this report. I think that is where the  
8 information that is requested by these amendments  
9 will have the most impact, as a matter of fact,  
10 especially not only with the reporting of claims to  
11 the Law Department but also with the uhm with the  
12 ability to develop safety programs because the safety  
13 programs that you are trying to develop based upon  
14 job title are really there to try to eliminate  
15 hazards that occur on a day to day basis. You are  
16 never going to be able to completely eliminate  
17 someone tripping over a wire at work, but if there is  
18 something that is inherent in their workplace, in  
19 their job title that is causing them to suffer an  
20 occupational injury at work. Those are the types of  
21 things that targeted educational and safety programs.  
22 It should be able to eliminate if you can find out  
23 what is causing the problem.

24 CHAIRPERSON I. DANEEK MILLER: Okay uhm  
25 before I call the next panel I do just want to, I

2 want to know that Mr. Shufro that many years ago and  
3 our calendars in your head as the Chair from NYCOSH  
4 over there, some of the industry things that  
5 concerned us was things like deep vein thrombosis,  
6 right and whether or not, subsequently the person  
7 that were making that argument, the most frequently  
8 ended up passing on, because of that, the amount of  
9 time that workers sitting behind a desk in this case,  
10 behind the wheel of a bus or in the cabin of a train.  
11 The impact on that, that currently would not be  
12 captured, is that correct? And as the reporting is  
13 done now, because you said there is not a specific  
14 answer, that is a long-term accumulation of workplace  
15 condition that kind of causes this to happen.

16 JOEL SHUFRO: And current reporting would  
17 capture that. It is rarely caught in surely are not  
18 recorded unless the, there are, occupational disease  
19 that I believe that when they are, when the  
20 occupational diseases are reported in this system  
21 they are recorded but the problem is that most  
22 occupational diseases are not caught and generally  
23 workers end up going to see their, their doctor and  
24 get them treated as regular diseases. Most doctors  
25 are not trained to recognize occupational diseases

2 and so we essentially socialize the cost of  
3 occupational diseases through health, general  
4 healthcare.

5 CHAIRPERSON I. DANEEK MILLER: Agree, so  
6 we want to call the next panel. I want to thank  
7 everybody for their testimony, certainly we will be  
8 getting back to folks with additional questions but  
9 all of your testimony is greatly appreciated and much  
10 helpful in todays hearings. Next panel, Jessica  
11 Perez, Minosa Daisy Alato (SP?), Katelyn Pierce, Paul  
12 Son. I guess Paul's not here. Okay. Okay uhm we  
13 are missing a member of the panel. Who do we have?  
14 Paul Son? Alright no problem. You can begin.

15 JESSICA PEREZ: Hi my name is Jess Perez.  
16 I want to start by thanking City Council Member Brad  
17 Lander for proposing this Bill. I think this Bill  
18 has the potential to single handedly dismantle the  
19 abuse that is so deeply engrained in the fashion  
20 industry. An industry that I have been a part of for  
21 almost 20 years. Let me explain to you why this Bill  
22 is so important. Imagine if Uber forced its drivers  
23 to sign noncompete contracts as freelancers leaving  
24 them without the option to drive for Lyft or other  
25 competitors. Then imagine if Uber didn't have enough

2 passengers for the drivers, leaving them to sit  
3 around, not making money, not able to pay their  
4 bills. If this sounds crazy to you, it is because it  
5 is but it is not Uber that operates this way it is  
6 the entire fashion industry. In the fashion  
7 industry, models are forced into exclusive contracts  
8 with agencies. Otherwise it is impossible to work  
9 with a reputable agency. These exclusive contracts  
10 dictate that models are only allowed to take jobs  
11 from one agency per City even when that agency is not  
12 actually finding them work. These contracts create  
13 what is at the core of every abusive relationship, an  
14 imbalance in power. When someone contractually owns  
15 you, they treat you like they own you. These  
16 contracts allow agencies to get away with unimageable  
17 behavior because if models don't comply, they lose  
18 the ability to make money in their profession.  
19 Agencies also don't provide health insurance or any  
20 guaranteed compensation but they do require models to  
21 be available exclusively to them at their beacon  
22 call. When I was forced to sign my first exclusive  
23 contract, a lawyer I consulted said to me and I  
24 quote, "This is what I would imagine a contract  
25 between a pimp and a prostitute would be like if they

2 had contracts." I was told by my agency that this  
3 type of contract is standard in this industry and  
4 they were right. I want to ask you today what would  
5 you do if your livelihood was forcibly dependent on  
6 one agency and they didn't find you work? I will  
7 tell you what you would do. Your daily actions would  
8 be driven by a state of desperation. I ask you today  
9 to take the position that this standard is no longer  
10 acceptable and prevent people from having to stay in  
11 a working relationship, riddled with abuse, broke and  
12 bound. Thank you.

13           DAISY ALATO (SP?): My name is Daisy  
14 Alato, got it, sorry about it. My name is Daisy  
15 Alato (SP?) and I have been a full-time freelancer  
16 since January 2017. Although I have written for  
17 outlets as prestigious as the Wall Street Journal,  
18 New York Magazine and Time Magazine it would be  
19 impossible for me to support myself as a full-time  
20 writer. Instead, I supplement my income by doing  
21 social media strategy and marketing for publications,  
22 restaurants, bars and fashion brands. The skills I  
23 use to freelance in the corporate world are  
24 consistent across clients. If I were asked to sign a  
25 noncompete it would be a significant blow to my

1 income. The Legislation under consideration today is  
2 common sense just like the Freelance Isn't Free Act  
3 is common sense. Here we have an opportunity to do  
4 more. Workers should be paid for the work they  
5 complete and they shouldn't be punished for offering  
6 the same skills to multiple clients. Unfortunately,  
7 if we do not formalize these industry standards bad  
8 actors will use any loophole available to avoid  
9 common sense and trust me, I have seen some truly  
10 nefarious practices. I have participated in  
11 boycotts, open letters and work stoppages across,  
12 against poor labor practices in the media industry at  
13 personal financial costs. New York City has already  
14 shown itself to be sensitive to the needs of the  
15 freelance working population which is growing by the  
16 day. In November 2018, I pushed a piece about Social  
17 Medical Influencers. The Instagram famous  
18 personalities who mix sponsored posts about hotels  
19 and accessories among original content. These  
20 influences are often derided but have more in common  
21 with freelancer writers and fashion models than not.  
22 Through my reporting I learned that late payments,  
23 exploitive contracts and lacks of affordable health  
24 insurance options were of great concern to these  
25

2 independent bloggers. For the past six months, I  
3 have volunteered my time to organize other digital  
4 media workers into a new division of the National  
5 Writers Union dedicated to the interest of the media  
6 gig economy worker where I have seen shared  
7 grievances with those I listed above. Despite the  
8 rising costs of living in New York, my peers make  
9 their homes here because it is the City where they  
10 can build their careers. So much of the industry I  
11 work in is based in the New York. This Bill has the  
12 power to make that work safer, fairer and better for  
13 myself and my peers. In order to attract, keep and  
14 champion freelance talent the New York City Council  
15 should move to pass the Bill at hand without delay  
16 but please do not stop here, there is work to be done  
17 to raise standards across the freelance economy.  
18 Thank you.

19 KATELYN PIERCE: Good morning. Good  
20 morning my name is Katelyn Pierce and I am the  
21 Executive Director of Freelancers Union. Uhm I want  
22 to thank the Committee uhm and Council Member Brad  
23 Lander for sponsoring this Bill. I am here today to  
24 represent the 150,000 New York City members of  
25 Freelancers Union to testify in support of the Bill

1 to protect freelancers from potential loss of income  
2 due to noncompete clauses. Freelancers are a huge  
3 and important part of the fabric of New York City.  
4 They live and work in every borough. We represent  
5 36% of the American Workforce and contribute over a  
6 trillion dollars annually to the economy.  
7 Freelancers rely on a diverse set of income streams  
8 and work on average with between 5 to 7 clients each  
9 month. Because their income is unpredictable and  
10 often sporadic, they must constantly prospect for new  
11 clients and develop new streams of income. As  
12 independent contractors who work without employment  
13 benefits, freelancers deserve to retain this autonomy  
14 to seek work in their field without restriction or  
15 fear of repercussion from existing clients. Their  
16 livelihoods depend on it. Freelancers much negotiate  
17 with companies as individuals and have few legal  
18 protections governing their work agreements. For  
19 these reasons they routine struggled to negotiate  
20 fair work contracts. I frequently hear from members  
21 who feel compelled to sign unfavorable agreements  
22 feeling that their choice is really between signing  
23 the contract or going out to look for other work.  
24 When it comes to non-competes, freelancers often feel  
25

2 compelled to sign unfavorable agreements to secure  
3 the income that they need now while potentially  
4 forgoing future income opportunities. With these  
5 conditions in mind, we are concerned about the  
6 provision in the Bill which states that non-competes  
7 would be allowing should the hiring parties  
8 guarantees and I quote "payment of reasonable  
9 monetary sum that is mutually acceptable to both the  
10 hiring party and the freelance worker." Our specific  
11 concern here is whether freelancers would reasonably  
12 be able to negotiate a sum on top of their freelance  
13 fee that would be sufficiently advantageous. We  
14 would instead advocate for a complete restriction of  
15 noncompete clauses in freelance work agreements. The  
16 enactment of the Freelance isn't Free Law which went  
17 in to affect in May 2018, established a private right  
18 of action for freelancers with nonpayment issues as  
19 well as a channel for reporting claims to the  
20 Department of Consumer and Worker Protections, uhm  
21 which helps freelancers resolve their claims through  
22 navigation and outreach to hiring parties. Since  
23 then, the City has helped 100s of freelancers collect  
24 over \$1 million without them having to hire an  
25 attorney or go to court. We believe this is

2 incredibly successful and been really glad to partner  
3 with the City on this. We believe a similar approach  
4 would be effective in dealing with noncompete issues.  
5 Whereby the City would play a role in enforcing the  
6 Law but helping workers navigate claims, notifying  
7 companies of violations and investigating and  
8 penalizing repeat offenders. Finally, the hiring  
9 parties benefit when they enable the free flow of  
10 work within their field. Companies rely on  
11 freelancers to bring specialized skills and creative  
12 talents to their businesses and they benefit from the  
13 diverse experiences and entrepreneurial activity that  
14 freelancers bring to their work every day. The New  
15 York City Council has led by example in protecting  
16 freelancers from nonpayment and establishing minimum  
17 wage for out-based drivers and in recognizing the  
18 challenges faced by workers in the new economy and on  
19 behalf of Freelancers Union I urge City Council to  
20 pass a limit on a noncompete in order to strengthen  
21 worker protections and freelance livelihoods.

22 CHAIRPERSON I. DANEEK MILLER: Thank you.

23 PAUL SON: Thank you I'm Paul Son I'm  
24 State Policy Program Director with the National  
25 Employment Law Project where a worker's right policy

1 organization work nationally with the federal, state  
2 and local levels. We've been delighted to work  
3 closely with the City Council on a number of  
4 important measures. We testify in strong support of  
5 this, of this proposal to significantly limit or  
6 prohibit altogether noncompete for freelancers.

7 There has been growing. I'm just going to present  
8 oral testimony; we will supplement with written  
9 testimony shortly or early next week. The ke, the  
10 key points here are that nationally there has been  
11 growing attention on the unfair role of non-competes  
12 in the employment context and locking employees into  
13 often low paying jobs and preventing them from  
14 improving their incomes through mobility and many  
15 states are starting to step in and prohibit them.

16 The general trend has been to prohibit them except  
17 for highly compensated individuals who possibly have  
18 access to trade secrets, especially in the text  
19 sector, and some states prohibit them all together.

20 That is sort of the movement for employees. But for,  
21 this is really the first I was aware of their use for  
22 freelancers and it seems like the policy rational as  
23 Council Member Lander flagged earlier, for  
24 freelancers really don't obtain at all. The two  
25

2 chief reasons that employer's site for non-competes  
3 are, in order to so that they can safely invest in  
4 training and in sort of the human capital of  
5 employees without having them immediately jump ship  
6 to work for a competitor. That, that really doesn't  
7 apply for freelancers or don't have any long-term  
8 commitment from their clients. They are constantly  
9 having to scramble for work. The second rationale is  
10 trade secrets and often it is argued that it is  
11 difficult to prevent disclosure of trade secrets  
12 through nondisclosure requirements if an employee  
13 goes to another company and that, therefore a  
14 noncomplete is the most practical. I mean preventing  
15 disclosure of trade secrets and employee has learned.  
16 And again, freelancers you know don't pla... rare would  
17 be the circumstance who would gain access to  
18 specialized trade secrets. It really feels like that  
19 policy rationale doesn't obtain either, so we would  
20 strongly support. Conversely the, the harmful role  
21 of non-competes and preventing employees from  
22 shopping around for the best paying job especially  
23 freelancers who have no, no guaranteed annual salary,  
24 are very, very serious. So, we would strongly  
25 support the Council, you know eliminating them or

1 significantly restricting them. In my remaining  
2 moments I would just like to rectify, we also testify  
3 in support of Intro 1321A, the subsidized affordable  
4 housing property services prevailing wage law has  
5 submitted written testimony. We, uhm, you know  
6 ensuring fair wages for property serviced worker and  
7 in some affordable housing is of a piece with the  
8 significant progress the Council has been making to  
9 raise job and living standards for low age workers in  
10 the City. Uhm that we are already successfully  
11 applying property service prevailing wage laws to  
12 most large uhm development projects. The car vote  
13 for affordable housing is something that we have not  
14 seen in other cities, many other cities apply their,  
15 their fair wage standards to all subsidized  
16 development projects including affordable housing.  
17 The experience in the areas that have been rezoned  
18 shows they can be practically applied in such areas  
19 and we would strongly support the Legislation to  
20 extend those basic wage standards to affordable  
21 housing projects as well. Thank you very much.

22  
23 CHAIRPERSON I. DANEEK MILLER: Thank you,  
24 well I'm going to kick it off to Council Member  
25 Lander, because you have essentially asked my few

2 questions that I wanted to know about uhm the  
3 industry's reason for particular policies and you  
4 laid out very well the two reasons they would apply  
5 in these cases here and why they don't necessary  
6 apply as well so thank you for your insight with  
7 that. Council Member Lander.

8 BRAD LANDER: Thank you Mr. Chair and  
9 I'll extend my thanks for a very helpful and  
10 enlightening panel and also you know from before  
11 that, helping build the organizing strength for this  
12 work. He builds off the Freelancers and Free Act so  
13 thank you Ms. Pierce, Freelancers Union and Ms. Perez  
14 it comes directly from your outreach and testimony at  
15 that time, highlighting our attention on this problem  
16 in the fashion industry, especially, so, thank you  
17 for that. Uhm I guess I want to drill down a little  
18 bit more on this question of how to handle whether  
19 they should be prohibited entirely in freelance space  
20 or whether some minimum standard should be  
21 established above which you have to go before you can  
22 do it. I agree the Bill as drafted is not sufficient  
23 because you know I think you could probably satisfy  
24 the Bill by saying well you get \$1000 a month and  
25 then you know whatever and then force folks to accept

2 that agreement just like they are forced to accept an  
3 agreement now that has nothing. So, mutually agreed  
4 at some minimum standard that is low is insufficient  
5 but you can imagine going one of two directions, just  
6 saying you can't have non-competes in freelance space  
7 and if you want to hire someone and offer non-compete  
8 then you could go with whatever the standard was for  
9 employees and have to hire them as a traditional  
10 employee, full-time, benefits, I don't know what the  
11 New York State Standard is and whether it is high  
12 enough to prevent non-competes unless that job is of  
13 a sufficient level. The other approach would be to  
14 say, okay lets sort of mirror that and say there are  
15 industries where it makes sense for it to be done  
16 freelance but we are going to set a high bar, it  
17 wouldn't, you couldn't just be a mutually agreed low  
18 one but we would have to set some standard for what a  
19 sufficient kind of living wage with protections would  
20 look like and I'm not sure which of those, you know,  
21 one way or the other it will make sense to amend this  
22 Bill and I wonder if you have a sense on whether we  
23 should aim to prohibit them entirely from freelance  
24 workers and try to find a way to establish a high  
25 enough threshold so if you are above that, you are

2 really a member of that team, you know you are being  
3 fairly compensated, you have some prot... perhaps other  
4 benefits or protections that are sensible to trade  
5 for the kinds, you know the reason. At that point,  
6 maybe you are getting some training, workforce  
7 development, you are part of a team in a way that  
8 might mean you would have things that you wouldn't,  
9 you know you shouldn't share with other companies and  
10 if you can respond to that.

11 KATELYN PIERCE: I mean my feeling is  
12 that it really goes against the spirit of freelance  
13 work which is about independent contracting and it is  
14 about being able to have a diverse portfolio of work  
15 without restriction. I could imagine there is a  
16 scenario in which a freelancer would be willing to  
17 sign an exclusive agreement and see it as beneficial  
18 if they were able to negotiate an extra sum of money  
19 for that. I think practically speaking our concern  
20 would be that the freelancers that were well-  
21 positioned to negotiate those types of agreements are  
22 not the same group of freelancers who we need to  
23 protect through this Law and I would be interested to  
24 learn more about what the specifics would be in the

2 modeling industry which I am not as deeply familiar  
3 with but that was sort of our perspective.

4 JESSICA PEREZ: I, I totally agree with  
5 you Katelyn. At least in the modeling I can't really  
6 think of any circumstance in which you would have to  
7 sign an exclusive contract with an agency, uhm, as I  
8 mentioned in my testimony, the way that it currently  
9 operates has just lead to an extremely abusive  
10 relationship between agencies that their models and  
11 sometimes photographers and other kinds of people  
12 they have that same kind of relationship. I think  
13 this is what freelancing is about. You are supposed  
14 to be able to make your own decisions and otherwise  
15 someone can pay for your health insurance and pay for  
16 your benefits and pay for your retirement and I think  
17 the way that a lot of industries are structured right  
18 now we don't get any of the benefits but then we are  
19 tied to this agency or corporation or whatever it is  
20 that is dictating how much money we are able to make  
21 and oftentimes in the modeling industry, I mean even  
22 when you said \$1000 a month, I think there are a lot  
23 of models that would be happy to get just \$1000 a  
24 month from their agencies but I think that knowing  
25 the, knowing the industry I think if there is any

2 kind of loophole or any kind of way for the agencies  
3 to be able to get away with uhm not setting up the  
4 models in the best position possible, they would  
5 probably take that route, and so I think the standard  
6 has to be extremely high, maybe if you are a  
7 freelancer that has some kind of intellectual  
8 property or something like that, maybe that could  
9 apply but I don't see how in the majority of  
10 freelancing industries it would, it would make sense  
11 to have an exclusive contract. I would also add when  
12 you put the burden on the freelancer to negotiate a  
13 rate based on future income that they would be  
14 missing out on, firstly that income is very hard to  
15 predict. Next month a client could come to me, say  
16 Nike and offer me a phenomenal freelance contract and  
17 rate based on skills that I'm using with another  
18 client currently and I can't predict that that  
19 opportunity is coming and I also don't want to lose  
20 out on that income by signing a non-compete with the  
21 client I work with today. The other thing is anytime  
22 there is a point of negotiation to set a rate, the  
23 people who in the freelance industry are most  
24 vulnerable are also vulnerable to the pressure to  
25 accept the rate that is offered to them because they

2 don't know that other people are being paid higher  
3 and I can speak from personal experience from a time  
4 when I was starting out, I found out that there was a  
5 male freelancer who was paid more than \$1000 for the  
6 same amount of work that I did, so, these  
7 inequalities really come in to play when the burden  
8 is on the freelancer to negotiate and to take that  
9 option off the table and really say we are not going  
10 to allow you to offer compensation at all in exchange  
11 for a non-compete would help the people that are more  
12 marginalized in the industry and in negotiation  
13 processes in general.

14 BRAD LANDER: Alright, that is really  
15 helpful and definitely inclines me toward just  
16 removing the exemption entirely and if what we are  
17 saying is there is a point at which if you had full-  
18 time work and you were fully compensated and you had  
19 benefits and you were sufficiently on the team to get  
20 training and prot... and perhaps participate in knowing  
21 the company's secrets, that's called having a full-  
22 time job with benefits and if someone wants to offer  
23 you that, they can offer you that if you are  
24 continuing to freelance then you shouldn't be  
25 expected to sign a non-compete and then that would

2 provide at least the basic protections that we are  
3 talking about here. So, we will, we will follow up  
4 with each of you afterwards, but thank you for this  
5 testimony on relatively short notice as well. It is  
6 really very, very helpful and I look forward to  
7 working with you to move this Bill forward and see it  
8 become Law. Thank you. Thank you, Mr. Chairman.  
9 And thank you again for helping make it possible for  
10 us to have the hearing.

11 CHAIRPERSON I. DANEEK MILLER:

12 Absolutely. Thank you, thank you uhm. Thank you to  
13 the panel for your testimony and your insight and  
14 helping us to move along so that we can ensure that  
15 all workers have the dignity that they respect. So,  
16 we are calling our next panel now, Joseph Rosenberg,  
17 Patrick Boil, Esmani, Esmani, where is she? I saw  
18 her yeah and Lauren Lemak (SP?). Okay, so, we can  
19 start from either end but here's what happened when  
20 you show up late, we start at this end.

21 JOSEPH ROSENBERG: I always defer to  
22 Esmani (SP?) anyway.

23 ESMANI SPILIOTIS: Thank you, thank you  
24 Councilman and Councilman for having us here today on  
25 this extremely, extremely important issue. I my name

2 is Esmani Spiliotis (SP?) I'm the Executive Director  
3 of Mahani Management, Inc. a 30-year non-profit  
4 community and housing development corporation. You  
5 know me so I will not waste my three minutes. I  
6 wanted to uhm talk today because actually asking for  
7 some resets and reconsiderations on Intro 1321A and I  
8 wanted to provide you with some concrete information  
9 and then be very supportive of my colleagues in the  
10 Affordable Housing world, both the non-profit and the  
11 for-profit affordable housing developers. I went  
12 back into one of our Budgets and just for the record  
13 I just want people to know that Mahini is a union  
14 shop so our maintenance staff are union. We have  
15 members in local 670 RDSW and we have members in 32  
16 BJ so this is not something that I am talking about  
17 kind of in concept alone. You know, we know what the  
18 costs are and I just want to also say that the  
19 numbers both the RDSW and the, and the uhm, 32 BJ  
20 numbers are not the prevailing wage numbers, they are  
21 actually below and one of the big items that is of a  
22 concern to me is that prevailing wage is a definitive  
23 term, right, it's got a schedule attached to it and  
24 Mahini is going to be building a building in East New  
25 York with Cypress Hills and that when we went to get

2 that number from the wage scale, the porter salary is  
3 actually \$84,000 okay and so which all of my staff  
4 wanted to resign and become porters. And so, I think  
5 that it was a number that an initial run on the  
6 performa was really prohibitive and in fact resulted  
7 in us asking for additional subsidy to cover this  
8 affordable housing development. If the housing  
9 development itself is a huge building, 275 unit  
10 building with income levels from homeless to, to, to  
11 80% AMI so it is a very affordable development and it  
12 was very impactful on the budget so I just wanted to,  
13 to say that we have both current numbers to kind of  
14 talk about what happens and projected numbers in a  
15 rezoned area and I have more but I am out of time and  
16 I am happy to answer any questions, thank you.

17 LAUREN LEMAK: Thank you for the  
18 opportunity to testify, my name is Lauren Lemak,  
19 Housing Development Project Manager on behalf of  
20 Services for the Underserved or SUS. SUS is one of  
21 New York City's largest not for profit social service  
22 and housing organizations, founded in 1979, SUS is a  
23 501c3 organization that provides services and support  
24 to transform the lives of over 35,000 of New Yorkers  
25 most valuable, vulnerable citizens, including people

1 with disabilities, people in poverty and people  
2 facing homelessness. Our organization envisions a  
3 City where everyone has a roof over their head and  
4 everyone is able to live a healthy, productive life  
5 full of meaningful social connections and purpose.  
6 We believe in approaching the complex challenges that  
7 each person faces as a whole with housing often being  
8 a vital component. Last year, SUS provided housing  
9 and shelter to more than 4,500 New Yorkers on any  
10 given night. As the City Council well knows, New  
11 York City faces a growing need for affordable stable  
12 housing for individuals and families. SUS  
13 understands and appreciates the intent behind Intro  
14 1321A but believes it will lead to unintended  
15 consequences. Specifically, a reduced number of  
16 affordable and supportive housing units being built  
17 and preserved in New York City. While an amendment  
18 to Intro 1321A was made to exempt some supportive  
19 housing projects, additional amendments are  
20 imperative to protecting the housing and services for  
21 people in our communities that need them to live full  
22 stable lives. SUS supports a carve out in intro  
23 1321A for all nonprofit operated human services  
24 programs and all residential developments that are  
25

1 committed by regulatory agreement to rent to  
2 households earning on average 80% of AMI. As part of  
3 the effort to house our most vulnerable citizens and  
4 degree the homeless census, SUS develops and operates  
5 both supportive housing and housing for low income  
6 individuals and households for whom circumstances  
7 have left them in need of a stable home. Not all of  
8 the supportive housing and low-income housing is  
9 included in the Bill's carve out. For many of the  
10 developments, SUS and similar organizations plan to  
11 pursue, this Bill requires prevailing wage into the  
12 annual operating budget, therefore increasing the  
13 cost to such developments without adding any  
14 additional income to support such increases. With  
15 higher operating costs, buildings can afford lower  
16 monthly mortgage payments which thereby results in a  
17 gap of capital funding which would need to be off set  
18 by an increase in City and State subsidy. On  
19 average, these additional subsidy needs could cost  
20 the City and State up to \$9300 per unit. A recent  
21 analysis of one of SUSs developments and  
22 predevelopment showed that when calculated with  
23 prevailing wages, the subsidy need increased by \$2.29  
24 million. With construction costs and land prices  
25

2 soaring this is not the time to add additional  
3 expense to the development of low-income housing and  
4 further deplete resource intended to construct  
5 housing for our most vulnerable neighbors. In  
6 addition to the effect on development budgets and  
7 subsidy needs, the regulations of Intro 1321A will  
8 have a substantial negative impact on many of the  
9 other residential programs. We are facing a  
10 homelessness crisis in New York City, 10s of 1000s of  
11 men, women and children sleep on our streets and in  
12 our shelters, to decrease the number of people  
13 without homes in our City we need to build more low-  
14 income housing and support the programs that help  
15 stabilize their lives and look forward to a brighter  
16 future. This is not the time to add additional  
17 financial strain on the resources that could make  
18 these goals a reality and break the cycle of  
19 homelessness.

20 PATRICK BOIL: Thanks to Chair Miller, my  
21 name is Patrick Boil. I'm the Director of Policy at  
22 NYSAFAH. The New York State Association for  
23 Affordable Housing or NYSAFAH is trade association  
24 for New York's Affordable Housing Industry with over  
25 350 member firms involved in the development,

2 construction, financing and design of affordable  
3 housing all throughout the State. Our members create  
4 housing across the entire affordable spectrum,  
5 including mixed use developments, middle income or  
6 workforce housing, supportive housing, low-income  
7 housing and affordable housing with homeless set  
8 asides and 100% affordable projects. Intro 1321A  
9 will provide higher wages for building service  
10 workers on some affordable housing projects.

11 Although this is a lottable goal, it comes at the  
12 expense of affordable housing production, a trade off  
13 that we want to stress to the Council today as it  
14 considers advancing this Legislation. We would also  
15 like to suggest a more robust carve out that would  
16 protect more supportive housing as well as other  
17 types of affordable housing intended for low income  
18 New Yorkers. For Affordable Housing Projects the  
19 income of a building is fixed because the rents are  
20 set at their respective AMI, Area Median Income  
21 levels and cannot be raised to cover higher expenses.

22 An unfunded new wage mandate would lead to an  
23 increase in operating costs and a need for government  
24 to step in with more subsidy to keep the project from  
25 going underwater. Subsidy is limited, additional

2 demands on it stretch it even thinner and subsidy  
3 being used to cover prevailing wages means less  
4 subsidy for the next project in the pipeline.  
5 Ultimately that means less affordable housing at a  
6 time when I'm sure we can all agree; the City needs  
7 it more desperately than ever. This reality was  
8 understood by the drafters of Local Law 27 of 2012  
9 which contained a carve out for affordable housing  
10 projects. To weaken that carve out in the midst of  
11 an affordable housing crisis with record numbers,  
12 record numbers of homeless New Yorkers and far too  
13 few units being created is a blow. It comes  
14 alongside other changes to Affordable Housing  
15 Production including President Trump's damaging  
16 tariffs, skyrocketing construction costs and out of  
17 control land prices throughout the City. The A  
18 version of this Bill has recognized the outside  
19 impact that it would have on supportive housing  
20 specifically and carved some of those projects out.  
21 That is an important and welcomed start, we thank you  
22 for it. However, as you have heard and will hear  
23 from others testifying today it is inadequate and the  
24 Council must go further to protect other types of  
25 low-income housing. As the City pivots and attempts

2 to have its housing plan reach lower income New  
3 Yorkers as well as the formerly homeless, goals  
4 supported by NYSFAFH and our advocacy partners, this  
5 measure without a clearer and stronger carve out for  
6 those projects will hurt that effort. I will skip to  
7 that carve out with limited time here. NYSFAFH we  
8 understand the public benefit of higher wages to the  
9 hard-working men and women who staff these buildings;  
10 however, such a mandate should be limited to those  
11 projects that can afford them. Projects with market-  
12 rate units or higher AMI levels and that can do so  
13 without further constraining valuable and limited  
14 City subsidy. That is why with other affordable and  
15 supportive housing advocates we endorse a carve out  
16 for low-income projects to find as those that are  
17 affordable to households earning 80% AMI on average.  
18 Thank you again for your time and to the Chair.

19 JOSEPH ROSENBERG: Good afternoon Chair  
20 Miller and Council Member Brad Lander. I am Joseph  
21 Rosenberg, Director of the Catholic Community  
22 Relation Council, representing today the Catholic  
23 Charities of the Arch Diocese in New York and the  
24 Diocese in Brooklyn. I am here to, happy to discuss  
25 Intro 1321A and how the important role that non-

2 profit housing organizations play in providing  
3 permanent housing for the most vulnerable populations  
4 in our City. We have strong concerns with this Bill.  
5 We support the rights of workers but this Bill would  
6 require nonprofits and affordable housing developers  
7 to provide prevailing wages to building service  
8 workers if the development receives \$1 million or  
9 more in City Financial Assistance. This is very  
10 broadly defined and practically all non-profits who  
11 partner with New York City to construct or preserve  
12 low-income housing would be covered by this Bill. As  
13 a result, if passed, this Bill becomes an unfunded  
14 mandate for non-profits and religious institutions  
15 and will severely strain our financial ability to  
16 house low-income New Yorkers including the formerly  
17 homeless. The need to develop and preserve low-  
18 income housing increases daily. Non-profit and  
19 religious institutions, charity and faith-based  
20 mission is to produce housing for the poor, the  
21 formerly homeless and people with special needs  
22 already have scarce financial resources to support  
23 their housing programs and their extensive human  
24 service provider operations. Current law provides  
25 and exception from this mandate for non-profits and

2 affordable housing developers but this Bill  
3 eliminates this exemption. This existing exemption  
4 is acknowledgment of the important role that these  
5 organizations have always played in New York over the  
6 decades. We urge that this exemption for those who  
7 develop and preserve low-income housing be restored.  
8 Catholic Charities of the Arch Diocese of New York and  
9 the Diocese of Brooklyn have played an indispensable  
10 role in our City for over 100 years, and addressing  
11 the needs of the poor, the elderly, the refugee, the  
12 immigrant, the disabled and the homeless. The  
13 Housing Divisions of Catholic Charities have provided  
14 permanent housing for 1000s of low-income New  
15 Yorkers. These are exactly the kind of developments  
16 needed in the City to house populations that are so  
17 often ignored and forgotten. Catholic Charities are  
18 continuing this commitment with over 11 buildings in  
19 the predevelopment stage. All projects will be over  
20 100 units and are built with the intent of maximizing  
21 the number of apartments for low income and formerly  
22 homeless New Yorkers. The Bill does not just cover  
23 future developments but also our existing buildings,  
24 most of which are section 202 and section 8 housing  
25 because they are up, their aging building systems

2 require renovation, rehabilitation and accordingly a  
3 lot of money that they will need will be part of the  
4 \$1 million of City Financial Assistance which is  
5 their only source of generating this much needed  
6 funding for renovation. Although 1321A has been  
7 recently amended to exempt developments that provide  
8 60% of their units for supportive housing, that  
9 language is short sided. It does not take into  
10 consideration the challenges facing non-profits who  
11 develop low-income housing for other needy  
12 populations. The unfunded mandates of this Bill  
13 would still apply to developments that house frail  
14 elderly, small percentages of supportive housing,  
15 homeless veterans, homeless families living in  
16 shelters, the working poor and homeless individuals  
17 with special needs. We, therefore request that you  
18 exempt non-profit organizations and affordable  
19 housing developers who construct and preserve this  
20 low-income housing from this Bill. Thank you.

21 CHAIRPERSON I. DANEEK MILLER: Council  
22 Member Lander.

23 BRAD LANDER: Thank you, so I appreciate  
24 the folks on this panel. I am a former member of the  
25 Affordable Housing Not-For-Profit Development

2 Community and in that time when I was on the  
3 Committee, we were not signatory with 32BJ or RW so  
4 I, I appreciate the perspective that you are coming  
5 from. I guess, the question I want to ask though is  
6 you know if it is an unfunded mandate, I sure hear  
7 you. Uhm its on us to recon with the cost that this  
8 would cost and to make sure that it is provided. But  
9 I guess I want to understand a little better,  
10 assuming we could make it a funded mandate and that  
11 you know that HPD number that they gave of \$9300 a  
12 unit or whatever we determine to be true was built  
13 into the capital financing of the project what the  
14 problem then is? Like it would be great if a lot of  
15 things cost less, it would be great if the land was  
16 cheaper, it would be create if, you know it could  
17 come we don't get to say to land owners well, we  
18 would rather pay you half that, so, you know we will  
19 lose the project so this one feels like because we  
20 can push the workers package down we have. And if we  
21 decide the right thing to do as a City is to pay it,  
22 you know, I, and all the arguments which are if we  
23 don't get the money this will be impossible for us, I  
24 hear. But assume for a minute that what would happen  
25 is that the money would be put into the capital

2 budget, sufficient to underwrite the projects  
3 presuming the prevailing wage and help me understand  
4 in that case why there should be exemptions of what  
5 the, what the problem would be with the Law?

6 LAUREN LEMAK: I, can I? So, so Brad  
7 thank you for the question Councilman. I, as I  
8 started to say, so prevailing wage okay is a  
9 statutory term and it comes with a wage scale. Okay?  
10 And uhm and there is absolutely once you vote that,  
11 there is no room for negotiation. That's the number,  
12 and like I said it is actually in some cases whether  
13 it the Bronx or other negotiated deals or unions it  
14 is actually a higher number than even signatory  
15 organizations are paying and so, so, so, just to the  
16 capital question.

17 BRAD LANDER: But one that we know, I  
18 mean obviously all things change in the long-term,  
19 the price of oil changes, a ton of things change but  
20 we know it is in advance we could underwrite the deal  
21 based on what it is today.

22 LAUREN LEMAK: You, you, you could. It  
23 is true okay. I think for me and the reason I  
24 mentioned the 84,000 and my staff is that uhm and I  
25 think when you read folks testimony that especially

2 in supportive housing buildings but in other  
3 buildings or just the staff of the organization, okay  
4 and again you could say great, we will give everyone  
5 prevailing wage, that, we can't do that but you've  
6 got daycare workers, you've got service workers,  
7 you've got social workers, you've got counselors,  
8 you've got asset managers. You have this entire  
9 other staff that actually kind of really interact  
10 with your maintenance staff and they are getting paid  
11 sometimes really, really well below even what we are  
12 currently paying you know the maintenance folk's  
13 union or prevailing wage or nonunion. And so, I  
14 think for me when I look at it there is an issue of  
15 equity, so if you are going and in looking at how are  
16 we going to kind of? How am I going to look at you  
17 in the face every day and work and be like I'm  
18 getting \$25 an hour and you are getting \$80 an hour,  
19 whatever it is. You know, for me there is an issue  
20 of equity.

21 BRAD LANDER: I mean I really hear you  
22 that there is a pay parity question, this Council  
23 just took up pay parity in our Budget but it feels  
24 like exempting not-for-profits just creates a  
25 different pay parity in equity which is to say the

2 building service workers in for-profit buildings  
3 would be paid well and building service workers in  
4 non-profit buildings would be paid poorly. So, like  
5 we have a pay parity problem somewhere and I think I  
6 would rather address it by elevating more rather  
7 than.

8 LAUREN LEMAK: Yeah and so what, if you  
9 read my test... if you actually what I didn't get to  
10 and you will read in others, so I mean one strategy  
11 is this carve out and the carve out uhm really allows  
12 the housing dollars that we are all aware of now to  
13 go farther and that is the argument that you are  
14 hearing, right and it also creates some pay parity  
15 within the nonprofit community but it doesn't solve,  
16 you know it doesn't create a level playing field.

17 BRAD LANDER: No, it creates pay parity  
18 downward rather than trying to keep pulling upwards.

19 LAUREN LEMAK: Okay, okay, no I know that  
20 there isn't a plan to pay all of those other people,  
21 I mean that's the problem, right? But the other  
22 issue is, so, so, if you look at my testimony, this  
23 idea of either some kind of, and that's why I keep  
24 going back to this idea of not calling it prevailing  
25 wage which is again I'm not setting it to prevailing

2 wage but figuring out what our, I would argue that  
3 there are nonprofits and for profits that pay too  
4 little and others that pay better. It's a spectrum  
5 of pay, right, equity aside and so the question is,  
6 how do you get to equity? How do you balance equity?  
7 Uhm good pay with equity with capital dollars, right?  
8 Like how do you get to that nexus and how do you get  
9 to it in a luxury building, I mean Councilman Kallos  
10 was here before and he said in my neighborhood. Well  
11 his neighborhood I would argue has like a lot of very  
12 expensive housing with doormen and you know and, and,  
13 and could support prevailing wage and a building in  
14 the south Bronx or in Brooklyn might not have that  
15 same operating budget to cover that. So, does that  
16 mean that the person in east New York should get paid  
17 less? That's the question... right? Just because they  
18 are working in a Mani building instead of an upper  
19 east side building, right? That would be the  
20 question that you would ask me and I would say uhm to  
21 a number. Do you know what I mean? Like what is, so  
22 does that mean that they should only make 30% of AMI  
23 because the AMI in that neighborhood is 30%, no.  
24 okay, like so, what gets really sticky maybe is  
25 what's the right number, that's really scary to. You

2 know that is a conversation to be had and so the  
3 question is, is its prevailing wage? Is it where we  
4 are now? Or is it some other conversation about the  
5 right pay scale is that gets us to this balance of  
6 equity, parity and resources?

7 CHAIRPERSON I. DANEEK MILLER: Thank you  
8 Council Member Lander. So they brought out the  
9 secret weapon today who happens to be one of my  
10 favorite persons in the affordable housing industry  
11 but I'm not sure if, if, because there has been a lot  
12 of testimony earlier I recall Council Member Adams  
13 talking about now necessarily calling it Community  
14 Board Preference but looking at the number of how  
15 many folks from these communities where affordable  
16 housing is being developed actually inhabit and are  
17 residents and I think the number was somewhere around  
18 40% and other places a little higher. So, if we just  
19 kind of take into consideration the dynamic of all  
20 the testimony that we have heard thus far today, I  
21 kind of want to move it in a different direction. If  
22 in fact the City is two things now as Council Member  
23 Lander said, if it requires, if the City can't do it  
24 on its own it requires this partnership, partners  
25 require additional support, how do we get there?

2 Right and so we need ot have this information going  
3 but we also need to look at this holistically and say  
4 if this precisely the model that we need to do in  
5 order for us to maintain affordable housing  
6 throughout, right? Because we have sometimes what we  
7 are seeing, what we are talking about in theory here  
8 is the deeply affordable housing, right and what,  
9 what is being done on that end there and that there  
10 is a specific model with a specific group of  
11 developers that have to be involved in order to  
12 achieve that goal of affordability. I would submit  
13 that there are models out there that is more of a  
14 microcosm of communities where it represents all of  
15 the varying incomes and all the people that need it,  
16 because everybody needs affordable housing. I think  
17 that market rate no matter where you are is just off  
18 the chart, right, but there is communities and the  
19 ability to sustain these models, not just in  
20 development but as we move forward in maintenance,  
21 are we looking at models that more encompass what  
22 communities really are as opposed to doing 70, 80,  
23 90, 100 over here, doing 30, 40, over here and if we  
24 made it more of a microcosm of what communities area,  
25 creating a community but also creating the ability to

2 pay for what we are looking at then can we afford to  
3 pay wages, pay living and prevailing wages to workers  
4 so that it becomes a more sustainable universe?  
5 Should we be looking at that model instead of just  
6 locking in to saying this is what we do, this is how  
7 we do it and we cannot afford to do it in this way?

8 PATRICK BOIL: I would just like to add  
9 one thing to that, Chair Miller if I might, one of  
10 the, one of the items that specifically concern us in  
11 the Legislation is the threshold of 100 units, uhm,  
12 the vast majority of all of our developments exceed  
13 100 units by a tremendous amount because they are  
14 built on church owned land and the charitable and  
15 faith-based mission of the church is to try to  
16 maximize this amount of housing to the extent  
17 possible. So, the irony here and this would harm us  
18 because we are trying to create a product that is in  
19 desperate need instead of doing 80 units which would  
20 perhaps provide some protection from Legislation of  
21 this nature, we are doing 120, 220, 330 units. So  
22 that is just another concern that we have with the  
23 existing draft of Intro 1321A.

24 CHAIRPERSON I. DANEEK MILLER: Again, I  
25 would submit that if you, particularly if you are

2 doing 200 to 300 units that there is space for, for a  
3 varying AMI that would allow for the resources that  
4 would pay for it, uh, particularly you know as I  
5 travel through communities throughout. I don't think  
6 there are any communities that are specifically at  
7 the 30 or 40% that they are working, that they are  
8 indigenous working families that exist throughout the  
9 City that have no where to live, have no where to go  
10 and could support who are looking for affordable  
11 housing as well.

12 PATRICK BOIL: Most of our buildings are  
13 way under 80% AMI. We do not make our operating  
14 margins as current. So, it is a dilemma and we  
15 appreciate the fact that you provided us with so much  
16 time to discuss this very important issue.

17 CHAIRPERSON I. DANEEK MILLER: Yeah we  
18 should discuss it because I think that for somehow we  
19 are, we are dismissing the notion that affordable  
20 housing uhm and subsidies should go to only a  
21 specific group, uhm of development and that that we  
22 are not addressing holistically the need that if we  
23 did that that I think that we could encompass a  
24 greater group, capture a larger audience in doing so  
25 but it is certainly something to talk about right?

2 Because within these communities that we are talking  
3 about if we are going to capture that 40, 50% and I  
4 would like it to be definitely higher in terms of  
5 community preferences then we would have to capture  
6 that universe of working, of working families as well  
7 that meet those other AMIs and I think that would  
8 resolve some of, at least begin to resolve some of  
9 our resource concerns.

10 LAUREN LEMAK: I can give you a specific,  
11 it is interesting Chair so basically when you look at  
12 the underwriting, okay when you are putting these  
13 deals together, what you find and I don't know if the  
14 people when they did the low-income housing tax  
15 credits in the 1980s if they had this in mind or if  
16 it just happen to work out this way. But basically,  
17 you know you hear the 60% number all the time, right?  
18 Because the 60% until they started this new rule with  
19 income average I won't get into the technical details  
20 but basically for the last almost 40 years, 35 years  
21 the, the cut off in the, in the funding you know was  
22 this 60% number, you know 60% of AMI so what's  
23 interesting is that the rent, 30% of 60%, so 60%  
24 right now is about \$60,000 for a family of four and  
25 so 30% of that number is what that family would pay

2 towards rent. What is interesting about that number  
3 is it is approximately the number that it cost to  
4 operating a building when you are getting a tax  
5 abatement. Okay so it is that number, interesting  
6 enough is somehow magical. Okay it is kind of if you  
7 look at the math. So, when you start to look at your  
8 neighborhood and you are thinking okay, I really want  
9 to address the fact that not every single person in  
10 this neighborhood is at 60% AMI, okay I've got people  
11 at 10, 20, 30, 40, 80, 90, 100, right? I've got this  
12 broad range and so what happens is when you  
13 underwrite to 50, 40, 30 you need subsidy, right?  
14 You would need subsidy and then again you have to pay  
15 the mortgage also, so you need more and then if you  
16 are writing to 70, 80, 90 just to maintain your  
17 building then you would actually make a little extra  
18 money, right? So, you have a little extra money when  
19 you go over 60 and you have a little and you have  
20 less money when you go under 60, right? And so you  
21 put this package together so you are asking okay what  
22 would that mix need to be in order to add in another,  
23 you know to pay lets call it prevailing wage, or to  
24 pay a number that is a higher wage than we may be  
25 paying out, our maintenance workers right now.

2 Right, what is that number? And then what happens  
3 to that income mix? Or what happens? So we have  
4 been talking about it as a need for more subsidy and  
5 you are asking okay that's one way to do it or if you  
6 change your income mix maybe it makes up for it and  
7 you don't need more subsidy because you actually have  
8 this wider bands of income, right? And I think that  
9 the issue is and in the supportive housing world in  
10 particular where the costs of operating that housing  
11 are so much more than like a regular building. Okay  
12 that it doesn't actually equal out that way. Okay so  
13 that's just in a regular building without supported  
14 services. Once you add in the supportive housing  
15 population, that number just goes, skyrockets and so  
16 then your mix would suddenly have to be very  
17 different weighing to the higher income folks and as  
18 Joe said that is really problematic because the  
19 people that we are both mission driven and what the  
20 data shows unfortunately is the people that we need  
21 to be housing are from the lower end of the spectrum.  
22 So, there is no problem with creating the mix, the  
23 problem is that the need for more units is on the  
24 lower end, you compound that with the need for  
25 supportive housing, you compound that with an

2 additional, uhm a prevailing wage number on services  
3 and suddenly you are not sustaining it.

4 CHAIRPERSON I. DANEEK MILLER: Okay, so  
5 this is definitely offline we need to go further into  
6 it because I think that I am seeing, I have  
7 witnessed, been a part of a more sustainable model,  
8 uhm where it is a, a for a number of reasons, as I  
9 said it is more of a microcosm of community that you  
10 have the entire community, you have folks that are  
11 entering into the job markets and folks that are  
12 special needs but also in the building there are  
13 communities whether it be in the south Bronx and  
14 southeast Queens that we have working, living  
15 professionals within those communities that don't  
16 want to leave and are willing to live with other  
17 folks to be able to share those experiences,  
18 mentoring those experiences, because what I see by  
19 not doing that we become, we ultimately become NYCHA  
20 alright where how do you pay for this? And we get to  
21 the point that we are now we find ourselves in the  
22 situation that deteriorating housing, no additional  
23 funds and, and that model which was working family  
24 based and has become something totally different. It  
25 has become where we put all of, either the working

2 poor or just the poor folks and no where to pay for  
3 it. Right? So, it becomes a self-fulfilling  
4 prophecy if we continue to do what we have been doing  
5 and expect a different result. And so, I want to  
6 thank you all for your testimony.

7 LAURA LEMAK: Thank you so much.

8 CHAIRPERSON I. DANEEK MILLER: Uhm, okay  
9 next panel, Mohammad from Taxi Workers Alliance, okay  
10 Jenny Hernandez, Yeni Hernandez, Gardner Soto, Pedro  
11 Campbell, and Kirsten Foy, oh and Dr. Parrot. Thank  
12 you, sir. Oh man, really stacking, really stacking  
13 it. We generally start at the end so that is Dr.  
14 Fortier or Dr. Parrot.

15 JAMES PARROT: I'd be happy to start,  
16 James Parrot, Director of Economic and Fiscal  
17 Policies at the Center for New York City Affairs,  
18 it's a new school. Thank you, Chairman Miller for  
19 having this hearing and the opportunity to testify on  
20 Intro 1321A a measure to expand prevailing wage to  
21 building services for large city-supported affordable  
22 housing developments. According to the Mayor's  
23 Office for Economic Opportunity the NYC.gov poverty  
24 threshold for 2017 was \$33,562 for 2 adult 2 child  
25 family. For a full-time worker, wages below \$16.14

2 an hour in 2017 would put their family below the  
3 poverty line. We've heard that the City's HDC  
4 currently uses a nonprevailing wage underwriting  
5 standard of \$44,165 per year for janitors and  
6 porters. That amount includes wages, benefits and  
7 payroll taxes, using ratios from the BLS employee  
8 compensation survey at the national level that would  
9 work out to 75% for wages, 25% for everything else.  
10 That would mean that the HDC standard roughly equals  
11 \$15.92 an hour with \$5.31 per hour for benefits and  
12 payroll taxes. As noted earlier, \$15.92 would be  
13 below the hourly NYC.gov poverty line for a 4-person  
14 family. Benefits totaling \$5.31 would provide for a  
15 little more than the Mayor's proposed 10 days of paid  
16 leave, \$3100 for health insurance and an employer  
17 retirement contribution of a paltry 1.7%. In  
18 contrast, a prevailing wage level for residential  
19 building cleaners and porters or door persons  
20 provides for an hourly wage of \$24.90 and hourly  
21 benefits of \$12.81. These prevailing wage standards  
22 represent an annual wage of nearly \$51,800 and  
23 benefits that provide for family health insurance,  
24 paid vacation as well as holidays and a decent amount  
25 toward retirement savings. The prevailing wage

2 standard comes a lot closer to supporting the middle-  
3 class standard in New York City than the poverty wage  
4 and benefits levels currently used by HDC. This  
5 comes at a cost but a manageable one raising workers  
6 from the poverty wages currently suggested by HDC to  
7 prevailing wages, would increase development costs by  
8 an estimated 1.7% and we need to keep in mind that  
9 poverty wages also come at a cost, both personal and  
10 for society at large. Poverty pay displaces cost on  
11 to tax payers in the form of public assistance and  
12 additional budget cost associated with helping  
13 poverty-stricken families cope with inadequate  
14 earnings from work. Thank you.

15 GARDNER SOTO: Good afternoon Chair,  
16 Chair Miller and members of the Committee my name is  
17 Gardner Soto I have been a member of 32BJ for four  
18 years. Having a paying prevailing wage changed my  
19 life. I have worked at a mixed-use building in  
20 downtown Brooklyn since it opened. The complex  
21 includes a mall, two residential towers, one luxury  
22 and one, one minority affordable. The affordable  
23 tower receives a package of significant tax breaks,  
24 the financing from the City which would have required  
25 the owners to pay my co-workers and me the prevailing

2 wage has buildings not been majority affordable. In  
3 2016, before my co-workers and I organized and won  
4 the union we made barely enough to survive. We were  
5 struggling to make rent, buy food, our families  
6 purchasing metro cards and paying for other  
7 necessities like phones and electrical bills. After  
8 organizing the union, my co-workers and I started to  
9 earn prevailing wages, I no longer worry about  
10 putting food on the table and can finally save and no  
11 longer live check by check. My co-workers and my  
12 family live lives became less stressful and burden of  
13 surviving in the City has been lifted. Today you  
14 have the opportunity to change this reality for  
15 building service workers like me who work in  
16 affordable housing that receives City subsidies. No  
17 working, no workers or families should be forced to  
18 earn poverty wages because they work in an affordable  
19 housing. I urge you to vote yes. Thank you very  
20 much.

21 PETER RAMOR (SP?): Good afternoon, Chair  
22 Miller and members of the Committee. My name is  
23 Peter Ramor (SP?). I have been a member of 32BJ for  
24 three years. As an airport worker I know first hand  
25 how important it is to be paid a standard like

1 prevailing wage. I am here to testify in solidarity  
2 with building services workers in affordable housing  
3 and urge you to pass this Bill. In 2010, I started  
4 to work at JFK as a baggage handler. For years, my  
5 coworkers and I have been fighting to create a better  
6 wage. The standards include significant benefits  
7 like health insurance. In September of last year, we  
8 won the Legislation and we are on our way to make \$19  
9 an hour; however, we are still fighting for other  
10 benefits and we won't stop. At 63 years old, I have  
11 worked hard to provide a good life for my family and  
12 earning the minimum wage is not enough to survive in  
13 the City. No workers should have to decide whether  
14 they eat lunch or pay for an electric bill. Like in  
15 this airport, government plays a significant role in  
16 uplifting workers and affordable housing. Today you  
17 have opportunity to give us, to give workers who make  
18 as little as minimum wage an opportunity for mobility  
19 for ending this prevailing wage carve out. I am  
20 proud to be here today in solidarity with my 32BJ  
21 brothers and sisters. Today is about doing the right  
22 thing for workers and families in New York City and I  
23 urge you to pass this Bill. Thank you.

2                   MOHAMMAD TI PASOLTON (SP?): Thank you  
3 Chair Miller and the members of the Committee on  
4 Civil Service and Labor for the opportunity to  
5 testify today. My name is Mohammad ti Pasolton (SP?)  
6 I represent the Tax Worker Alliance. We are fighting  
7 to raise standards for the drivers at New York State.  
8 We are also proud to stand side by side with the low  
9 wage workers and other workers fighting for the  
10 standard in the City. We see this Bill as part of  
11 the movement to improve the lives of the working  
12 families in New York City. The Council has fought to  
13 raise the driver standard and in turn has changed the  
14 lives of so many hard-working drivers. We still more  
15 battle in the fight for good job for the drivers and  
16 we are ready to fight alongside our brothers and  
17 sisters affordable housing development. Prevailing  
18 wage standard are the fat of the, to the middle  
19 class, especially for the thousands of black and  
20 brown building service workers in our City,  
21 publically finals project and certainly those  
22 receiving \$1 million or more should pay this  
23 prevailing wage, why would we undermine a good job  
24 with public money? Why would the City of New York  
25 want to create poverty jobs? Poverty jobs have no

2 place in the greatest City of New York City in the  
3 world. We know that good jobs help our community.  
4 Good jobs also help taxi and for-hire vehicle drivers  
5 since we are all part of the service economy and  
6 fighting for the standard. As wage go up, spending  
7 goes up and this is good for our economy and working  
8 people. The City and the City Council have been on  
9 the front line of the fighting for the drivers and  
10 TWA is strongly on the front line with 32BJ SEIU and  
11 building service worker who needs good job standard.  
12 I strongly urge you to pass Intro 1321.

13           KARLA WALTER: Thank you Council Member  
14 Miller and members of the Committee for this  
15 opportunity to present testimony on Intro 1321. My  
16 name is Karla Walter, I direct the American Worker  
17 Project at the Center for American Progress Action  
18 Fund. I have conducted extensive research on how  
19 City, States and the Federal Government are using  
20 government spending to uphold higher standards in  
21 their communities. Cities and states across the  
22 country have adopted wage standards to ensure that  
23 workers whose jobs are funded by the government are  
24 paid decent wages and receive good benefits.  
25 Progressive communities are increasingly attaching

2 these standards to development subsidies and New York  
3 became a national leader when the City Council  
4 enacted the service worker Prevailing Wage Ordinance  
5 in 2012 that extended prevailing wage protections to  
6 recipients of Economic Development Subsidies and  
7 companies leasing commercial and office space from  
8 the City or to the City. Yet by not extending these  
9 protections to affordable housing developers the  
10 ordinance did not go far enough. Intro 1321 would  
11 help ensure that building service workers in City  
12 Subsidized housing projects are paid market wages  
13 closing that loophole is increasingly important given  
14 the priority that Mayor de Blasio has placed on  
15 expanding development preservation of affordable  
16 housing the City. Moreover, the Bill would directly  
17 impact 1000s of workers whose projects built or  
18 preserved under the Housing New York Plan. While the  
19 Legislation would help establish New York as a leader  
20 other government have adopted similar standards. For  
21 example, the federal government requires that  
22 maintenance workers on federal supported public  
23 housing are paid prevailing wages and Philadelphia is  
24 moving in the direction of requiring residential and  
25 commercial developments that receive subsidies to pay

2 building services workers at least the prevailing  
3 wage. Expanding the reach of building service  
4 prevailing wage is not only good for workers but also  
5 for high road developers. Without strong standards,  
6 too often companies that pay market wages are forced  
7 to compete against low road companies. For example,  
8 after Maryland implemented a wage standard, they  
9 found that they encouraged more high-road companies  
10 to do business with the government. Moreover, review  
11 of the State and Local government practices found  
12 that the adoption of wage standards resulted in  
13 decreased employee turn over and savings in  
14 restaffing cost. So, for example, after the San  
15 Francisco Airport adopted a wage standard, annual  
16 turnover among security screeners fell from nearly  
17 95% to 19%. Turnover reduction also helps increase  
18 the experience and skill level of the workforce and  
19 by raising workplace standards governments can ensure  
20 that tax payers receive good value. When workers are  
21 poor compensated, tax payers often bear hidden costs  
22 such as provision of subsidized health insurance,  
23 housing and nutrition assistance. Opponents often  
24 claim that these industry standards would hurt the  
25 economy by raising cost and preventing development.

2 However, the City could cover the added cost of  
3 ensuring the developers pay market wages by raising  
4 financial assistance levels at a marginal amount  
5 relative to total development cost. Also, research  
6 finds that the cost of wage standards can be offset  
7 by a more highly skilled and more productive  
8 workforce and as a result leads to improvements in  
9 the quality of service provided to affordable housing  
10 residents. Finally, industry wage standards provide  
11 significant benefits to state and local economies.  
12 For example, one study estimated that California's  
13 Prevailing Wage Law boosted economic output by \$1.4  
14 billion per year. Cities and states are using these  
15 prevailing wage laws to ensure that government  
16 spending doesn't drive down standards, closing the  
17 loopholes in the affordable with the affordable  
18 housing would establish New York City as a leader.  
19 This concludes my testimony, thank you.

20 PEDRO CAMPBELL: Thank you Mr. Chairman  
21 Miller for your holding of this hearing and your  
22 leadership on so many critical issues to the City. I  
23 have come to land my voice in support of 1321. I  
24 have a whole thing here but I'm going to skip a lot  
25 of it. A lot of the points that I wanted to make

2 were made but I would like to make two points. I  
3 think what we are dealing with here are the objected  
4 position of our principal believe in supporting good  
5 jobs and the practicality of building affordable  
6 housing. I think that is a false dichotomy and a  
7 false choice. I think we need to as the most  
8 progressive City in the world, we need to create a  
9 labor environment that is equitable, that is fair to  
10 all workers and that sets a standard nationally. We  
11 cannot allow there to be structural inadequate,  
12 structural inequities in our, in our workforce. We  
13 cannot allow the practical necessities of certain  
14 industries to justify discrimination against certain  
15 workers. If that were the case, then we could  
16 justify the pay par... the lack of pay parity between  
17 men and women. We could, businesses could say I  
18 can't afford to pay women what I pay men because if I  
19 do that, that's going to affect my bottom line so  
20 this to me is a ridiculous argument. What we need to  
21 do is take our eyes off the pennies and put the eyes  
22 on the dollars. Affordable housing is not just about  
23 the availability of the stock, it is also about the  
24 buying power. It is about the community's ability to  
25 consume the product and we cannot have a country and

2 an economy where wages have remained flat for two  
3 decades. And then have structural inadequacies here  
4 in the City and then say we, we need to really focus  
5 on just this issue of affordable housing without  
6 dealing with the issue of economic justice and income  
7 and equality. So, this, for me is really about  
8 driving home the point that we must, we must be a  
9 leader in creating an equitable economy that is based  
10 on treating each and every worker the same. Not  
11 allowing for there to be structural segregation,  
12 economic segregation, you work over here in this  
13 community, servicing this population so therefore we  
14 can only pay you this amount of money. This is 2019,  
15 the fact that we have to have a debate around whether  
16 or not all workers who do the same work should be  
17 paid the same amount of money is really, is a  
18 ridiculous argument, but I have come to support not  
19 just the workers of 32BJ but also the other workers  
20 who are victimized by structural inadequacies and  
21 structural inequities, pay inequities and income  
22 inequities and we must reverse that and 1321 is a  
23 step in that direction.

24 CHAIRPERSON I. DANEEK MILLER: Thank you,  
25 sir and we do this and right, we will submit that

2 this panel we have gotten to meat and potatoes right  
3 of what this is about and the question that I was  
4 asked is whether or not, the previous panel in  
5 particular, whether or not they were oversimplifying  
6 the issue of how do we provide uhm affordable housing  
7 and, and were they not taking into considerations or  
8 it was just articulated by Dr. Parrot and other  
9 members and other members and quite frankly what I  
10 said myself and what we have in my district, the  
11 varying, the different types of affordable housing  
12 that addresses holistically the needs of the  
13 community and is, is, is what I'm hearing now is how  
14 we quantify holistically what affordable housing  
15 means to a community in terms of jobs, economic  
16 development, housing, and the full package or was it  
17 just over simplified as, as it was previously  
18 expressed.

19 JAMES PARROT: I'd be happy to start on  
20 that, uhm it is sort of an unusual argument but not,  
21 not unusual in the sense that I've seen a lot over  
22 the years, nonprofit organizations that rely heavily  
23 upon the City for contracts or subsidies and so on,  
24 being reluctant to be a firm advocate on behalf of  
25 broad positions which all of us particularly the

2 Council have supported for many years of lifting up  
3 everyone in New York City to address the structural  
4 inequities and inequalities that exist. We made  
5 incredible progress in recent years. This is the  
6 first economic expansion since the 1950s in New York  
7 that hasn't been primarily driven by Wall Street and  
8 a lot of that is due to the increase in the minimum  
9 wage floor in New York City and the support that the  
10 Council and the Mayor has given to raising the wages  
11 of low, low paid, uhm workers in New York City  
12 including nonprofit sector workers. The City right  
13 off the back as soon as the Governor increased to  
14 \$15.00 said New York City is going to pay you know to  
15 lift all of the workers in the nonprofit sector up to  
16 the \$15.00 level and as was discussed earlier, this  
17 Council in its budget agreement with the, with the  
18 City fought for and secured you know impressive  
19 progress in addressing salary disparity issues that  
20 exist. Here is another instance where we need to  
21 close this loophole, apply prevailing wage standards  
22 across the board to City subsidized efforts and it  
23 would be now. You could see that as an unfunded  
24 mandate although as it was pointed out, if it is a  
25 funded mandate and the City is contributing the

2 resources to close the financing gap we would  
3 certainly all be better off and it would be better, I  
4 think if the nonprofit affordable housing sector was  
5 making that argument. The affirmative argument that  
6 we need to raise wages and the City needs to fund  
7 that.

8 KAYLA WALTER: And just that, that covers  
9 all of my basis except for I would just say that one  
10 of the other things that research shows is that  
11 prevailing wage standards are a boom both to the  
12 broader economy. We are a consumer driven economy  
13 but also that some of the cost is mitigated because  
14 you get a workforce that there is less turnover.  
15 Because you get a workforce that is invested in with  
16 training and so you start to see positive benefits  
17 that also flow to developers.

18 JAMES PARROT: And I would just add  
19 really quickly I think that the point that you made  
20 earlier is the critical point, we, what we are  
21 suggesting here is that its okay for workers to rely  
22 on other public subsidies, it is okay for workers to  
23 have to go out and rely on food stamps, its okay for  
24 workers to have to lean on society as a whole to  
25 subsidize low wages but we shouldn't really be

2 focused on how we will eliminate structural  
3 inequities so that they can raise their income and  
4 then become self-sustaining individuals, self-  
5 sustaining families and self-sustaining communities.

6 MOHAMMED TI PASOLTON (SP?): I just want to  
7 add as an organizer from the Taxi Driver Union as you  
8 seeing that 9 driver suicide because of the economy  
9 hardship. This is the greatest City in the world and  
10 this year, very beginning it was a little lift,  
11 especially in the sector because Taxi Worker  
12 Alliances fight a lot to lift this little up and  
13 still we are fighting and continue fighting with this  
14 Wall Street Funded company was paying pay cut and its  
15 driver was barely surviving. When the wage goes up,  
16 it is really healthy, the whole community. It is  
17 really healthy for the family, for the children and  
18 that is what we are looking for actually and this,  
19 the workers should be the priority and every worker  
20 should be the single trade with the wage. So, the  
21 Intro 1321 is a great thing to be help the workers to  
22 go up and with a healthy life. Thank you.

23 CHAIRPERSON I. DANEEK MILLER: Okay I  
24 want to thank the panel for your testimony. I also  
25 look forward to working with you uhm as we drill down

2 on this Legislation and, and other Legislation  
3 certainly that we have heard today and I am sure that  
4 a few of you will be back next week to testify on an  
5 pay equity hearing as well and so again thank you and  
6 I look forward to working with you in the future.  
7 Next panel, Claire Shetty (SP?), Dena Davis, Laura  
8 Mascuch, do we have two Dena Davises or do we just  
9 have. Okay. Michelle Jackson and Eric Lee. Thank  
10 you. Thank you, sir. Okay please uhm hold the mic  
11 close, push the red button and identify yourself  
12 before your testimony and it is a hard clock ladies.

13           LAURA MASCUCH: Okay thank you, uhm Chair  
14 Miller and members of the Committee for the  
15 opportunity to testify. My name is Laura Mascuch I  
16 am the Executive Director of the Supportive Housing  
17 Network of New York. Uhm we have greatly appreciated  
18 the opportunity for dialog with the Council around  
19 1321A since it was introduced in January and are glad  
20 that the amended version includes a carve out for  
21 supportive housing as defined by the supportive  
22 housing loan program but wanted to talk further about  
23 the other programs it includes supportive housing and  
24 also the need for further exemption to an average  
25 unit of 80% AMI. As you know supportive housing is

2 deeply affordable housing serving formerly homeless  
3 people with disabling conditions as well as low-  
4 income members of the community. While the typical  
5 supportive housing model is financed through the  
6 supportive housing loan program it is comprised of  
7 60% supportive and 40% low income. We are now seeing  
8 other types of mixed models, uhm through the Ella and  
9 Sara programs that are using to create residences  
10 where 30% of the units are supportive and in fact for  
11 both low income and seniors and so that 42% of  
12 supportive housing residences are now being created  
13 through Ella and Sara in addition to the supportive  
14 housing loan program. So, while we appreciate the  
15 amendment protects the 60% model, we would like for  
16 these others models to be taken into consideration.  
17 We are here today and joined by our colleagues, also  
18 increasing exemption in the bill for non-profit  
19 operated human service programs and all residential  
20 projects that are committed by regulatory agreement  
21 to households earning 80% AMI on average.  
22 Additionally, affordable housing preservation  
23 projects must be protected. While we completely  
24 understand the need for increasing wages and fringe  
25 benefits is a lottable goal, the impact is

1 significant on affordable housing budgets and without  
2 the corresponding subsidy to make the projects work  
3 it would result in the reduction in the number of  
4 units created and preserved. As an example, within  
5 the senior program 800 additional units, is added  
6 through the Fiscal Years 2020 to 2023 that brings the  
7 total senior housing plan to 4800. If passed into  
8 Law as written 1321A carries an additional average  
9 cost of \$9300 per unit in up front capital for the  
10 newly expanded senior housing plan and that is \$44  
11 million in additional money that would need to be  
12 found. There are two other issues I just want to  
13 highlight. Preservation projects which I think the  
14 City has talked about is a large concern. There is a  
15 real effort to save existing affordable housing with  
16 expiring regulatory agreements. They are currently  
17 included in this Bill and they would be subject to  
18 prevailing wage which might then have the owner  
19 decide to not keep them affordable and convert them  
20 to market rate and the second one is in the new  
21 reiteration, the Bill pertains to any City  
22 development project undertaken by the City or an  
23 economic development entity and it seems to be now  
24 pointing the possibility that applies to other  
25

2 nonprofit operated programs such as temporary  
3 shelters, senior centers, daycare centers, etc. and  
4 in this realm it would be a completely unfunded  
5 mandate to bring prevailing wages to those  
6 environments thank you.

7 MICHELLE JACKSON: Good after I am  
8 Michelle Jackson. I am the Deputy Executive Director  
9 of the Human Services Council. We represent about  
10 170 human services providers in New York. Thank you  
11 so much for providing me this opportunity to testify  
12 and for sticking with us until the afternoon. I am  
13 unfortunately testifying in opposition to Intro  
14 1321A, HSC and our members support efforts to lift  
15 the wages of workers across New York City because it  
16 means a better community for everyone. It means less  
17 people coming through our doors for a myriad of  
18 services. Unfortunately because of this Bill and the  
19 way the City tends to fund or not fund human services  
20 programs I am being forced to participate in what we  
21 call the Human Services Hunger Games where we have to  
22 talk about limited resources and when we lift up one  
23 workforce without lifting another what that means for  
24 our Sector. So, my testimony is much more extensive  
25 but to be perfectly blunt the reason we oppose this

2 is for two reasons. The City doesn't pay its bills  
3 to Human Services and the City doesn't pay Human  
4 Service Workers enough. On average and James Parrot  
5 testified before about the City did fund the minimum  
6 wage increase on Human Services Contracts. There  
7 isn't a prevailing wage in the Human Services Sector.  
8 We have what is called a living wage which was, is  
9 \$16 and change. The average Human Services Worker  
10 makes \$29,000. That is \$4,000 less than the income  
11 needed to be above the poverty line. 60% of our  
12 workforce qualify for public assistance programs so  
13 we need to lift all of those together and that means  
14 increasing the Human Services workforce salary when  
15 we talk about prevailing wage and so the problem with  
16 this Bill is that there isn't, there isn't a way to  
17 talk about parity between different workers as SUS  
18 testified earlier, I think that is an important  
19 component is how do we pay one of our workers who is  
20 a maintenance worker, any position, \$58,000 or  
21 \$80,000 when we have other workers who are at the  
22 poverty line and this Bill doesn't address kind of  
23 the comprehensive workforce so we would like to put a  
24 pause on this Bill and talk more holistically about  
25 how to lift up all of these workers. Because when

2 you create those wage disparities it is either an  
3 unfunded mandate for the workforce for nonprofits to  
4 figure out how to pay everything the appropriate  
5 parity or you can't do it and you either pay some  
6 workers more than others and you have recruitment and  
7 retention issues. The second thing is that there  
8 isn't a funding mechanism to even pay the salaries,  
9 the prevailing wage salaries in this Bill and  
10 historically whether it was compression on the  
11 minimum wage, paid sick leave, paid family leave,  
12 exempt employee overtime. The City has not paid  
13 those increases which has exacerbated the funding gap  
14 that nonprofits have leading to an insolvency rate of  
15 about 20% of New York Human Service Providers who  
16 provide critical services in the City. So, we do  
17 tentatively support the carve out that has been  
18 mentioned by our colleagues. The reason we say  
19 tentatively is because as spoken earlier by the  
20 Council, having non-profit exemption from this just  
21 means that we lose a qualified workforce and we lose  
22 on, we either have to pay the prevailing wage or we  
23 don't have the workforce necessary to do this work  
24 and so instead we would like to pause this  
25 Legislation and work with our partners in the City

2 Council to talk about how we really can lift all  
3 boats together and not leave Human Services Providers  
4 sinking while we raise up other boats. I think that  
5 is the more important conversation that needs to be  
6 had before we could support a piece of Legislation  
7 like this, so, thank you.

8 My name is Dena Davis and I represent the  
9 Westside Federation for Senior and Supportive Housing  
10 also known as WSFSSH. I thank you for the  
11 opportunity to testify here today, WSFSSH is a not  
12 for profit organization with over 40 years of  
13 experience. By 2020, we will be managing nearly 2400  
14 units of housing for older adults. I don't want to;  
15 my written testimony is longer but I just want to  
16 point to a couple of things that I think need to be  
17 understood about our concerns about this Legislation.  
18 The parameters of the affordable exemption are too  
19 limited. Many develops serve a large percentage of a  
20 vulnerable population, remain subject to this Bill,  
21 including exclusively senior housing that we build  
22 and projects which have a smaller percentage of  
23 supportive units. And that has been touched on  
24 before by other speakers and that we think that we  
25 should expand the affordable exemption to include any

2 development subject to a regulatory agreement in  
3 which the average household income being served is at  
4 80% of AMI. We are concerned about the preservation  
5 challenges of this, because uhm, it could be opposed  
6 when you are refinancing a project, when you are up  
7 for renewal of your tax abatement that that just  
8 simply doesn't work on our tight budgets. The point  
9 has also been made that we get funding for so many of  
10 our, our services are paid for by other contracts,  
11 social service agencies and supportive housing  
12 agencies, we don't just fund for our building  
13 workers, we fund social workers, we fund personal  
14 care aides and this issue of the parity and equity  
15 within a nonprofit organization pay structure is a  
16 very important concern. The final thing that I want  
17 to say is that not for profit developers care about  
18 permanently affordable housing and that we think that  
19 the nonprofit exemption is extremely important and  
20 that we think that that should be back in the  
21 Legislation. Thank you.

22                   CLAIRE SHETTY: Good afternoon and thank  
23 you to Chair Miller and members of the Committee for  
24 allowing me to testify today on 1321A. My name is  
25 Claire Shetty and I am the Vice President of Housing

Operations and Programs at Breaking Ground. Breaking Ground is a New York City based nonprofit whose mission is to strengthen individuals, families and communities by developing and sustaining exceptional supportive and affordable housing as well as programs for homeless and other vulnerable New Yorkers. We've been around for about 30 years. Using innovative financing and historic restoration we revitalized buildings and neighborhoods. Each year we worked to increase the supply of affordable housing for those with the greatest economic need. We operate more than 3700 units of housing with over 1000 more in development. We are here today to join our colleagues in requesting an exemption in the Bill for all nonprofit operated human services programs and residential projects that are committed by regulatory agreement to rent to low income households. In other words, households earning 80% AMI on average. We appreciate the amendment that was made to exempt some supportive housing projects and the willingness to engage in dialog thus far but in order to project housing and services for New Yorkers who need it most, additional amendment that was made to exempt to some supportive housing projects and the willingness

2 to engage in dialog thus far but in order to protect  
3 housing and services for New Yorkers who need it  
4 most, additional amendments are required. Intro  
5 1321A will impose additional costs on our supportive  
6 and affordable housing development projects without  
7 providing any new resources to make those costs  
8 feasible. While this version of the Bill does exempt  
9 certain supportive housing projects from the  
10 prevailing wage requirement for building services  
11 workers the exemption fails to protect City-financed  
12 residences that house low-income senior citizen and  
13 low-income and formerly homeless New Yorkers. For  
14 example, Breaking Ground is in the process of  
15 developing a senior housing residence in the Bronx  
16 with 152 apartments through HPDs Senior Affordable  
17 Rental Apartments or SARA program. 47 of these  
18 apartments will be rented to Seniors who are homeless  
19 and 105 will be for low-income seniors. There will  
20 be a supportive housing contract to fund rental  
21 assistance and social services for the 30% of tenants  
22 who are formerly homeless. However, all seniors in  
23 the building will be welcome to access the social  
24 services provided and our experience suggest that  
25 many will. As we are drafting the development budget

1 in the ongoing maintenance and operations budget for  
2 the property, we take great care in ensuring that our  
3 income and expenses are balanced. All of the  
4 properties operating cost must be covered by the  
5 property's rental income. Our rental income is  
6 limited to the low-income rents paid by tenants and  
7 by rental assistance contracts. If Intro 1321A is  
8 passed into Law as currently written the properties  
9 operating expenses will increase substantially as we  
10 cannot and would not wish to increase tenant rents  
11 and we cannot obtain additional rental assistance, we  
12 would have no additional income to cover this cost  
13 and would need to cut expenses elsewhere. Our only  
14 solution would be to reduce the mortgage loan amount  
15 so that we would be able to reduce the expense of our  
16 monthly mortgage payment. Taking out a smaller  
17 mortgage however, would leave us without enough  
18 funding to construct our building. The only solution  
19 would be to request more capital subsidy from the  
20 city or state and in the case of the 152-unit senior  
21 residence in the Bronx, compliance with 1321A would  
22 translate to \$6 million in additional capital subsidy  
23 and we know that \$6 million more spent on our project  
24 could be 80 fewer affordable units for seniors  
25

2 elsewhere. In order to protect affordable housing  
3 for low-income senior and formerly homeless New  
4 Yorkers as well as nonprofits physical health, a  
5 carve out in the Bill for all nonprofit operating  
6 human services programs and residential projects that  
7 are committed by regulatory agreement to rent to low  
8 income households earning 80% AMI on average is  
9 necessary. Thank you again for the opportunity.

10 ERIC LEE: Hi good afternoon and thank  
11 you Chairperson Miller and the Committee for allowing  
12 me to testify today. My name is Eric Lee and I am  
13 the Director of Policy and Planning for Homeless  
14 Services United, HSU is a coalition of 50 different  
15 nonprofit homeless service providers in New York City  
16 and we represent the majority of nonprofit shelter  
17 beds in New York City for both families and singles.  
18 I will cover just the highlights of my testimony  
19 given the time provided. HSU applauds the Council  
20 for the attempt to increase wages for New Yorkers but  
21 this Bill as currently written what have seriously  
22 dire consequences for nonprofit homeless service  
23 providers in New York City. Our nonprofit members  
24 suffer from chronically late DHS payments for City  
25 Contracts with some agencies taking out multi-million

2 dollars loans to cover delays for operating and  
3 payroll expense. DHS model budget implementation  
4 with some agencies are still waiting for two years  
5 later now has been exercising futility to OMB denying  
6 salary raises for case managers, capping fringe rates  
7 at 26% and primarily focusing on increasing security  
8 and maintenance lines. Intro 1321A would essentially  
9 require nonprofits to cannibalize social service  
10 dollars to further invest in recently increased  
11 boating services fees at the expense of quality  
12 social services that were never fully funded in the  
13 first place. If passed, this Bill would make it  
14 impossible for nonprofits to develop and operate  
15 purpose-built shelter, further prolonging DHS  
16 reliance on hotels, clusters and other inferior  
17 models and/or further cannibalize social service  
18 dollars in the effort to somehow cope with this  
19 unfunded mandate. Chairperson Miller to your earlier  
20 concern regarding income and equality, this to fund  
21 this Bill DHS shelter would effectively have to fire  
22 or cut wages of women who compromise 70% of our  
23 social services staff in order to give raises to  
24 predominantly male security and maintenance positions  
25 in our programs. Because there is a DHS not to

1 exceed contract amount, staff budget lines like  
2 onsite medical and psychiatric services, childcare  
3 workers, employment and aftercare specialists have  
4 already been cut in order to meet new security  
5 requirements and agency savings goals. Mandating a  
6 prevailing wage would cut the only thing that is  
7 left. Staff funds like case workers, social workers  
8 and housing specialists to the bone. Program budgets  
9 would be further disrupted by having to maintain two  
10 different fringe rates across their portfolios and  
11 wage letter would also be disrupted. Increasing  
12 wages for supervisees above those of their  
13 supervisors. Given these reasons, HSU encourages the  
14 Committee to exclude nonprofit operated Human Service  
15 Programs as well as Residential Programs that rent to  
16 households earning 80% AMI on average. On closing,  
17 HSU would like to thank you Chairperson Miller as  
18 well as the Committee and the Members of the Council  
19 for your continued leadership and dedicating to  
20 supporting New York's Workforce. And while we object  
21 to the passage of the Bill as drafted, we would  
22 welcome the opportunity to work with you on  
23 developing sector wide Human Services Procurement and  
24 Rate Reform for our entire staff.  
25

2 CHAIRPERSON I. DANEEK MILLER: Thank you,  
3 so, I do have before I comment, a have a few comments  
4 and perhaps a question. Uhm before the panel leaves  
5 and I do want to take and instruct folks that we are  
6 going to be taking a five-minute break. We've been  
7 here since 10 o'clock and some housekeeping things  
8 have to be done. So uhm, there was in some of the  
9 testimony we talked about Ella and other the program  
10 mandated programs that occur over there and so while  
11 our goal is our overall goal is to make sure that we  
12 are providing affordable housing throughout but  
13 particularly you know folks that are the most  
14 vulnerable. If in fact, now Council, Legislation  
15 which has not passed us yet term sheets that are  
16 written out with, with in compliance with affordable  
17 housing subsidies have mandates, right? They have  
18 these 20 and 30% mandates. That is certainly  
19 addressed in the market if in fact you are looking at  
20 larger number of 300 and 400 units that are, that are  
21 going up throughout the City. So that is one that  
22 has to be, I believe, should be taken into  
23 consideration that they are addressing that and many,  
24 many places, uhm it just would not happen that we  
25 would not see the 20 and 30% of homeless population

2 and other populations that are being mandated within  
3 these affordable subsidized units would not occur.  
4 And so, I think that certainly is something that we  
5 have to consider when we look at our numbers of our,  
6 our target universe. Uhm. The, for, for the human  
7 services industry folk I hope that you guys are  
8 signed up to testify at next weeks hearing on pay  
9 equity because what I'm hearing I find super  
10 disturbing. I find it super disturbing that, that  
11 most of these folks that are employed, that are  
12 providing critical services are in some need of  
13 financial subsidies from government agencies  
14 themselves based on their compensation, they are  
15 qualifying. The answer is not the race to the  
16 bottom, the answer is to lift up everyone and it has  
17 to start somewhere that we have to create a standard  
18 and a balance and honestly, what we are witnessing  
19 here today is really, is really the stance and the  
20 virtues of organized labor. The right to organize  
21 and the right to collective bargaining and that is  
22 where the standards for workers kind of happen. And  
23 so, what we are looking at in that industry are  
24 underorganized folks who don't necessarily get to  
25 bargain for themselves and so it is left to the

2 Council to be their advocates on their behalf and say  
3 that a living wage and we know that a living wage is  
4 just not what it takes. Right? And the fact of the  
5 matter is when we talk about pay equity, we are  
6 talking about these professionals who are providing  
7 these critical, critical services to our most  
8 vulnerable. These folks are still paying student  
9 loans and living on not even \$20. How, how is that  
10 possible? That is the conversation that we should be  
11 having and not, you know that, that is absolutely the  
12 conversation that I hope that you will join us next  
13 week on the 20<sup>th</sup> when we will have our hearing on pay  
14 equity. That is certainly a space for your voice in  
15 doing so and that is I think how we holistically  
16 address, address these needs and some of the other  
17 things but as we move further in this conversation,  
18 certainly your voice is going to be needed again.  
19 Uhm as we kind of get closer to what this Legislation  
20 will, will look out, we will carve out, not carve  
21 out, so whether or not we are maximizing all of our  
22 experiences and resources in doing so but I, again I  
23 welcome your testimony but I also look forward to  
24 working with you in the future, so. Thank you. Yeah  
25 so this is going to be a five-minute housekeeping so

2 thank you. (long pause). Thank you so much for  
3 accommodating this so we are going to now call the  
4 next panel, Rose Hernandez, Jessica Ortiz, Yeni  
5 Hernandez, I know we called her before. Okay, Major  
6 Childs, David Collier, Ferdelia Markulick, thank you  
7 sir. Okay. So, we've got a hard three-minute clock,  
8 I ask you to adhere to it. Uhm we are going to start  
9 from the ends, pull the mic close and push the red  
10 button.

11 FERDELIA MARKULICK (SP?): Good afternoon  
12 Chair Miller and members of the Committee. My name  
13 is Ferdelia Markulick, in 1973 I came to this country  
14 in hope for the better life for my family. One year  
15 later I get the job cleaning office building in  
16 Manhattan. This job was good, union job and to for  
17 the last 45 years I have been a proud member of 32BJ.  
18 Raising four children on my own in New York City  
19 wasn't easy. However, having job that pays the  
20 prevailing wage, giving my peace of mind, and allow  
21 me to give my children life with dignity. Often, I  
22 hear stories from single mothers who go to the bed  
23 praying that they will have enough money to feed  
24 their children lunch the next day. I am lucky to be  
25 able to go to the bed thanking God for my job that

2 allows me to avoid homelessness and be able to put  
3 food on the table without worry. Two years ago, I  
4 won housing lotto for newly created affordable  
5 housing. Surprise to NIH because of these I have  
6 been able to continue to live in my increasingly  
7 expensive neighborhood, Astoria, however, as I  
8 approach retirement I don't know if I could afford  
9 this apartment without my prevailing wage job and the  
10 retirement benefits that I will receive because of  
11 it. Throughout my time being an active member of  
12 32BJ I have been able to engage in the City Politics  
13 and Democratic process. Such as this hearing today,  
14 one reason I am so proud of being a 32BJ member is  
15 because we don't fight just for ourselves, we fight  
16 for all of the working people. One day I will retire  
17 from my job cleaning but I will never ret... I'm never  
18 going to retire from fighting so that all working uhm  
19 people all working people could live with dignity and  
20 earn prevailing wages. I urge you to pass this Bill,  
21 thank you.

22 ROSE HERNANDEZ: Good afternoon my name  
23 is Rose Hernandez and I am a member leader of  
24 Community Voices Heard. I lived in East Harlem on  
25 Vossio for over 30 years. I have lived in both

2 private and public housing. Community Voices Heard  
3 or CVH is a member led, multi-racial organization.  
4 Most of our members are women of color and low-income  
5 families. We have a large chapter in New York City  
6 and chapters in Yonkers, Newburg and Prokipsi. We  
7 talked with tough issues and build powers to secure  
8 racial, social and economic justice for all New  
9 Yorkers. Most of our New York City members live in  
10 either NYCHA or rent stabilized housing and some  
11 people have won lottery slots to live in affordable  
12 housing created by one of the City Programs or live  
13 in buildings that the City renovated in 1980s and  
14 1990s through various programs. At CVH we look at  
15 how employment, housing, education and other areas  
16 intersect. For example, when it comes to public  
17 housing, we value the fact that workers get union  
18 salaries as benefits. Many of these same workers are  
19 our family members and neighbors and they spend a  
20 significant amount of their paychecks in the same  
21 community. We believe firmly that any time the City  
22 of New York is making investments in housing or other  
23 infrastructure that is part of the City's  
24 responsibility or mission really to make sure that  
25 worker's get paid well, receive decent benefits and

2 have the right to organize. Otherwise what are we as  
3 a City doing. It means workers doing a construction  
4 and then workers hired afterwards to maintain those  
5 City investments. The City cannot thrive if working  
6 people cannot afford to live here. The City itself  
7 is one of the biggest drivers of the economy and to  
8 simply have a more ackow... a legal responsibility to  
9 ensure pay prevailing wage on projects that the City  
10 makes possible. Ensuring that maintenance jobs  
11 created through New York's Affordable Housing  
12 Programs are pay prevailing wages will not only  
13 strengthen the economy but it is also just common  
14 sense and decency. The City's Affordable Housing  
15 Programs have created thousands of well-paid jobs for  
16 developers and management companies, for bankers, for  
17 real estate lawyers, for tax accountants and for  
18 insurance bank brokers. So, why is it always the  
19 maintenance jobs that come up short when it comes to  
20 good paying benefits. The ratio and class  
21 implications are clear and are unacceptable. It is  
22 time for the leadership of the City to put an end to  
23 this and make sure that prevailing wage is an  
24 essential element of the City's Affordable Housing  
25 Programs. I want to thank you Council for this time

2 and for listening to my testimony and unfortunately,  
3 I have to run.

4 JESSICA ORTIZ: Good morning Chair Miller  
5 and members of the Committee. My name is Jessica  
6 Ortiz and I have been a member of 32BJ for six years.  
7 My entire life I have worked multiple jobs to provide  
8 a life of dignity for my children. Working all the  
9 time and raising young kids was tough. I missed  
10 important moments in my childrens' lives. I was  
11 forced to choose between putting food on the table or  
12 spending time with my kids. Despite working multiple  
13 jobs, I still could not afford to pay my bills and  
14 provide for my family. Having grown up on public  
15 assistance I vowed to do whatever I could to make  
16 sure that my children didn't grow up in poverty.  
17 Unfortunately, three jobs weren't enough to survive  
18 and I swallowed my pride and filed for public  
19 assistance. For three years I got help from the  
20 government with food stamps and Medicaid. In 2013, I  
21 was called to a temporary cleaning at Trinity School  
22 on the upper westside. Little did I know that this  
23 job was going to pay me the prevailing wage and would  
24 change my family's life forever. When I became a  
25 permanent worker, I was able to quit my other jobs

2 and get off Medicaid and public assistance. Most  
3 importantly, I got to spend time with my children.  
4 Property Service Workers in affordable housing  
5 deserve to have family sustaining jobs that allow  
6 them to provide a life with dignity for their  
7 families. Today, you have the opportunity to provide  
8 working families in New York with livable wages, I  
9 urge you to vote yes on this Bill. Thank you.

10 YENI HERNANDEZ: Good afternoon Chair  
11 Miller and Members of the Committee. My name is Yeni  
12 Hernandez. I have been a member of 32BJ for 14  
13 years. Having a prevailing wage job has changed my  
14 life. I come to this country in 1996 from the  
15 Dominican Republic in hope of a better life, however,  
16 like many immigrants my past to stability and  
17 security was not easy. After a year for struggling  
18 to survive in New York City including having to sleep  
19 in the subway I had no choice but to send my son, six  
20 months old, back to my country with my family while I  
21 stayed here and struggled to establish a life. I  
22 found a minimum wage job with house healthcare but  
23 this was not enough for me to bring my son back. For  
24 five years I live in New York without him missing the  
25 first steps and the other important moments in the

2 first years of life. This is the cost of working at  
3 minimum wage. Taxpayers should never fund jobs like  
4 this. In 2006, 10-years after struggling to survive  
5 in this country, I got a prevailing wage job as a  
6 cleaning in a commercial building in Midtown. That's  
7 when my life changed, my good paying job with  
8 benefits gives me the security that I need to bring  
9 my son in this country. A few years ago, my son  
10 needed surgery and I did not have to pay for  
11 anything, or had to take unpaid time off from work.  
12 All working families like mine deserve this kind of  
13 life. A life without worrying about surviving or  
14 making ends meet. Workers who work in affordable  
15 housing deserve to live with dignity and security.  
16 This project shall lift people up, not be part of  
17 writing stories like mine. Today you have an  
18 opportunity to change the life of service workers in  
19 affordable housing. I urge you to approve this Bill.  
20 Thank you.

21 MAJOR CHILDS: Good afternoon my name is  
22 Major Childs. I am here, I am here today as a five-  
23 year member of 32BJ, a native New Yorker, as a  
24 father, as a father of three wonderful young adults,  
25 raising, raising three children in New York City has

2 not been easy. Prior to getting this job as a  
3 cleaner in a school, I struggled to provide a life  
4 with dignity and security for my family. Now that I  
5 have job that pays the prevailing wage a weight has  
6 been lifted off my uhm shoulders and we live with a  
7 peace of mind. The prevailing wage comes with  
8 significance in a life changing benefits like sick  
9 pay, leave and healthcare. Currently I am out of  
10 work on disability due to an injury. I have comfort  
11 in knowing that I have job protection and security as  
12 well as health benefits. These are benefits that all  
13 working people should have access to and I am  
14 respectfully urging you to pass this Bill thank you.

15           DAVID COLLIER: Good mor... good afternoon  
16 Chair Miller and member of the Committee. Thank you  
17 for the opportunity to testify today and for  
18 prioritizing the needs of workers. My name is David  
19 Collier, I've been a member of 32BJ for five years.  
20 I work at Hudson Yards as a Security Officer and I  
21 live in Harlem. Before making the prevailing wage, I  
22 worked security/doorman/concierge in an apartment  
23 building that had affordable units and I struggled  
24 with healthcare, rent and other bills. I also  
25 struggled with the respect, the respect that a union

2 gives you to be proud to do your job. After I paid  
3 the rent there wasn't much left, there wasn't much  
4 left over. My prevailing wage and benefits make life  
5 a little easier now that I'm in the union and I'm  
6 getting the prevailing wage. As I get older, I need  
7 to go see the doctor and now I can. Uhm but even  
8 with the little extra money I get, or I'm getting now  
9 it is good to feel, it feels good to be able to  
10 support my community. You know every once in a  
11 while, I got out and buy me a new hat or you know  
12 maybe I could go out for dinner and it is important  
13 for building service workers in affordable housing  
14 developments to make the prevailing wage because  
15 right now they are struggling. Making lower wage  
16 makes it harder for them to do their jobs. I hope  
17 this City Council passes this Bill.

18 CHAIRPERSON I. DANEEK MILLER: Thank you  
19 to the panel for your testimony and it is important  
20 that your voice get heard. I want to thank everyone  
21 for staying around and I know that wasn't easy  
22 either, so thank you. Next panel, Roger Moore, Via  
23 May Richardson, Jordan Weiss, Regina Thompson,  
24 Jonathan Hodgstep, and Padilla Molina.

2                   ROGER MOORE: Good afternoon Chairman  
3 Miller and members of the Committee. My name is  
4 Roger Moore and I have been a proud member of the  
5 32BJ for three years. In 1999, my family that was  
6 living in the United States partitioned for a visa so  
7 that I could, so that my wife, daughter and I could  
8 come to this country. 10 years later, we received  
9 permission to come to the United States in hope for a  
10 better life. In 2012, one year after arriving in the  
11 US I got a job as a porter as a new residential  
12 building in Harlem making \$11 an hour without  
13 benefits. I worked two jobs to support my wife and  
14 daughter struggling to pay rent and put food on the  
15 table. My hope coming to this country was that I  
16 would be able to provide my family a good life with  
17 dignity. While I started out, as a, as a residential  
18 building service worker, I was earning minimum wage  
19 with no benefits, then my co-workers and I learned  
20 that our building was prevailing wage required and  
21 that we were experience wage stiff. We organized to  
22 get the wages and benefits we were owed and we won.  
23 My pay jumped from minimum wage with no benefits to a  
24 livable wage that included health and other  
25 significant benefits. I was finally able to provide

2 my family the life we believed we could have in  
3 America and send money home to my son and  
4 granddaughter that remained in Trinidad. Having a  
5 job that pays the prevailing wage did not just change  
6 my life, it changed my entire family's situation. My  
7 family and I live in low-income housing in Brooklyn.  
8 I see myself and the workers who maintain and clean  
9 my building. No family should have to go through  
10 what my family went through in order to survive.  
11 Today the New York City Council has an opportunity to  
12 affect the lives of many working families in New York  
13 City. The minimum wage is not a livable wage and  
14 people who work in affordable housing should not have  
15 to live in poverty. The decision that you make today  
16 may even affect those we have left behind in order to  
17 pursue a better life in the United States. I hope  
18 you hear your stories today and vote Yes. I thank  
19 you very much.

20 VIA MAY RICHARDSON WHITE: Good afternoon  
21 Chairman Miller and members of the Committee. My  
22 name is Via May Richardson White and I have been a  
23 32BJ member for over 30 years. I raised my children  
24 in low income housing and I know first hand the  
25 importance, the importance for these sorry, projects

2 to prevail family circumstances jobs. We need, we  
3 need people who clean and maintenance out  
4 developments to come to work every day ready to  
5 perform their best, instead of having to worry about  
6 how they will make ends meet. To me a prevailing job  
7 means that I can pay my rent without worry. A  
8 prevailing wage job took me out of poverty. Before I  
9 had a prevailing wage job, I was on public assistance  
10 trying to survive day to day. I didn't even have a  
11 bank account. The first time I was able to take my  
12 children on a va... on a proper vacation was after I  
13 got a job that paid the prevailing wage. That first  
14 vacation was the moment I realized how life different  
15 change a job that, that often a prevailing wage is.  
16 I can relax with my children and enjoy a paid day off  
17 without worry. As, as I am approaching retirement I,  
18 I'm sorry, I can attest to how important the  
19 prevailing wage is at all stage of life. The  
20 benefits like healthcare and retirement mean that I  
21 will be able to go continue to live in New York  
22 without worry. Workers in affordable housing like  
23 where I live desire their benefits too. No working  
24 family in New York should be subject to poverty  
25 because they, because they, they work in affordable

2 housing. I respectfully urge you to pass this Bill.  
3 Thank you.

4 JORDAN WEISS: Good afternoon Chairman  
5 Miller and members of the Committee. Thank you for  
6 the opportunity to testify today and a special thanks  
7 to Corey Johnson for prioritizing the needs of  
8 workers. My name is Jordan Weiss and I have been a  
9 member of 32BJ for two years. I live and work on the  
10 upper east side as a doorman. Prior to this job I was  
11 making \$12 an hour with no health benefits. It was  
12 very difficult to pay my bills and cover my living  
13 expenses. Now things are more comfortable. Making  
14 the prevailing wage I can go out and enjoy life more  
15 than I used to. I don't have to count on every penny  
16 I make. I have a retirement plan. I hadn't seen a  
17 doctor for 10 years before I got this job. Now that  
18 I have full healthcare benefits and I don't have to  
19 pay a dime out of pocket. Building service workers  
20 in affordable housing developments deserve to make  
21 the same prevailing wage. I hope the City Council  
22 will pass this Bill.

23 JOHATHAN HODGSTEP: Uhm thank you for  
24 your time Council Member my name is Jonathan Hodgstep  
25 I am the Residential Research Coordinator for 32BJ.

1 I want to speak about one way we hope it can be  
2 strengthened and respond to some of the concerns that  
3 have been raised in this uhm, in this hearing. Uhm  
4 in terms of strengthening the Bill, the Legislation  
5 currently sets a 100-unit threshold for buildings to  
6 trigger the prevailing wage. We would like to see  
7 this language clarified so that it is clear that the  
8 prevailing wage requirements extend to buildings that  
9 a part of jointly managed complexes with 100 or more  
10 total units. It is frequently the case that a large  
11 complex is built and financed in phases rather than  
12 all at once. It would be against the spirit of the  
13 Bill to carve out buildings that comprise larger  
14 developments and the Legislation should be clear that  
15 they are included. Uhm in terms of the request that  
16 there is an AMI carve out of 80% that was said  
17 earlier, I think the earlier HPD testimony recognized  
18 that this has worked in the area wide rezonings.  
19 They recognize that while it may take some effort,  
20 they put forth the \$9300 per, per unit subsidy figure  
21 uh given HPDs testimony I don't think this AMI carve  
22 out should be considered. Also, in response to the  
23 assertion that the Bill doesn't sufficiently carve  
24 out supportive housing. The Bill carves out  
25

2 buildings developed under the supportive housing loan  
3 program which is the City's main tool for financing  
4 supportive housing and which provides a clear  
5 definition of what supportive housing is. If there  
6 are developments that provide some level of services  
7 but less intensive requirements than SHLP or  
8 developments that set aside fewer units of supportive  
9 than are required by SHLP we believe those  
10 developments should be prevailing wage required  
11 providing a less rigorous requirement, would open up  
12 a loophole in this Bill that could be easily  
13 exploited to exclude projects that can, that can and  
14 should pay the prevailing wage standard. I also want  
15 to note that HPD said that the nonunion standard is  
16 \$44,165 for a porter, that is before payroll taxes,  
17 so it is actually \$40,185 and a family of four is  
18 just over 40% of AMI if they had no benefits and all  
19 of that was in their wages. But also want to be  
20 clear that as it stands right now there is no  
21 minimum, that's what HPD is financing but they don't  
22 say you have to pay that. They can pay as little as  
23 minimum wage or, or worse at moments. Uhm I also  
24 want to note that they put forth that there was 150%  
25 increase in operating expenses at supportive housing

2 example that they had and that mathematically that  
3 just doesn't work. Uhm operating, just to finish  
4 that point, building service workers are only a small  
5 piece of the, of the pie and even if building service  
6 workers were all of the pie it still wouldn't work so  
7 there was a math problem there and I will leave my  
8 rest the rest of my comments for written.

9 REGINA THOMPSON: Good afternoon Chair  
10 Member and Members of the Committee. My name is  
11 Regina Thompson and I have been a member of 32BJ for  
12 15 years. My prevailing wage job has changed my life  
13 and continues to be a source of security for my  
14 family. My job has given me the stability of a  
15 constant paycheck with yearly increases and I have  
16 security knowing that I can afford my rent every  
17 month. Unfortunately, my adult children do not have  
18 prevailing wage jobs and have been forced to move  
19 back home because they cannot afford to live on their  
20 own. Before I earned the prevailing wage, I did not  
21 have good health insurance, it was tough having to  
22 pay a high premium. It was a relief to become part  
23 of 32, of the 32BJ family and reaped the benefits of  
24 having a good job that pays the prevailing wage. The  
25 workers who work in affordable housing buildings like

2 where I live also deserve to live with the same  
3 stability I do. No worker should have to live in  
4 fear of losing their home or not be able to provide  
5 for their family. That is why I am urging you to  
6 pass this Bill. Thank you.

7           PETER MORENA: Good afternoon Chair  
8 Miller and member of the Committee. Thank you for  
9 the opportunity to testify today. My name is Peter  
10 Morena I've been a union member for 32, 31 years.  
11 And having a prevailing wage job has made an  
12 incredible impact in my family's and myself. I have  
13 been able to sustain my family with one job and no  
14 worry about paying rent or bills. There is no better  
15 feeling than being able to support the family with  
16 ease. As I get older, I start to think about my life  
17 afterward. I realize how lucky I am to have a job  
18 that pays the prevailing wages. I have been a member  
19 like I said for 31 years and I have stood up with my  
20 union brothers and sisters many times to raise the  
21 industry standards and bargaining for a contract that  
22 lifts us up. Today I am proud to stand with my union  
23 in solidarity with my peers who work in affordable  
24 housing. For these standards that all workers in our  
25 industry have had access to family sustaining wages

2 and benefits. We are the same people, tax payer  
3 money should not enable two tier wage system for  
4 building service workers because some of them work in  
5 affordable housing. I'm really proud to be here in  
6 front of elected officials who shows today that they  
7 care about working families and today you have a real  
8 opportunity to give property service workers in  
9 affordable housing dignity in their workplace and  
10 security at home. You have a chance to give people a  
11 better life. I urge you to pass this Bill. Thank  
12 you.

13 CHAIRPERSON I. DANEEK MILLER: Okay and  
14 thank you to the panel for your insight and testimony  
15 and we will be following up with some of the  
16 information that you provided as well panel. Next  
17 panel, oh is this. Okay. Mark Espinosa, Richard  
18 Lavarro Atorio (SP?), uhm Artis Brown, Michael  
19 Stevenson, Kenja Harper. And Barbara Bottom. She is  
20 already out there. (laughing). Okay start at which  
21 ever end, pull the mic close to you and hit the  
22 button. Identify yourself.

23 MARK ESPINOSA: Good afternoon Chair  
24 Miller. My name is Mark Espinosa and members of the  
25 Committee. I would like to thank you for giving me

2 the opportunity to testify today. Uhm I've been a  
3 32BJ member for 12 years and having a prevailing wage  
4 job means that instead of struggling to survive I'm  
5 able to thrive. Prior to getting a job that pays a  
6 prevailing wage, I was highly dependent on my family.  
7 They helped me with the rent and other necessities.  
8 And by family, I mean my parents. Now instead of  
9 going to my parent's house asking for help, I can go  
10 there and I can offer help which as a child is great.  
11 I don't have to worry anymore. I used to stress  
12 about living, about having to worry about enough  
13 money at the end of the week, living from paycheck to  
14 paycheck, now my wife and I, I say I gladly my wife  
15 and I are saving to buy a home. Not only are we just  
16 trying to save to buy a home, we are preparing to  
17 start a family, we don't struggle anymore. The  
18 choice you make today will change the lives of  
19 working families all over this City. You have the  
20 opportunity to give working people and leg up, a  
21 chance to breath in this City. Frank Sinatra once  
22 said if you can make it here, you can make it  
23 anywhere. I urge you to vote yes and help New  
24 Yorkers make it in New York.

2 RICHARD ATORIA: Good afternoon Chair  
3 Miller and the previous members of the Committee. My  
4 name is Richard Atoria. And I've been a member of  
5 32BJ for about nine years. I work in affordable  
6 housing cooperative; East River Housing and my story  
7 is evident that creating good jobs in affordable  
8 housing is possible and needed. Having a job that  
9 pays my family sustaining wages benefits had a  
10 positive impact on my life. Prior to working at East  
11 River Housing, I worked for a school bus management  
12 company that didn't offer health insurance. I was  
13 forced to give up a raise I desperately needed in  
14 exchange for health insurance. No one should have to  
15 make that choice. Being paid the prevailing wage  
16 means security and not having to choose between  
17 putting food on the table or paying health insurance.  
18 The best part of my job are the people that live in  
19 the buildings that I help to maintain. To my  
20 coworkers to me it is not just a job. We have strong  
21 relationships with the families in our buildings, the  
22 residents know we are more than just some guys  
23 mopping the floor or changing a light bulb. They  
24 respect us and feel proud to have us in their  
25 building. As workers, we are happy to be there for

2 these families because of the prevailing wage workers  
3 and benefits we continue to stay in these positions  
4 for years. We see families grow, kids go off to  
5 college and mourn people who pass away. When you are  
6 paid a fairly sustaining wage and benefit you feel  
7 like you belong, you take pride in your work and you  
8 feel respected, other workers like me in affordable  
9 housing deserve to work and live in dignity like my  
10 co-workers. I respectfully urge you to pass this  
11 Bill. Thank you.

12 BARBARA BOTTOM: Good afternoon Chair,  
13 Chair Miller and the members of the Committee. Thank  
14 you for the opportunity to testify today and thank  
15 you the speaker, Corey Johnson for prioritizing the  
16 needs for the workers. My name is Barbara Bottom. I  
17 have been a member of 32BJ for 19 years. I worked as  
18 a cleaner in Midtown. Before this job I didn't have  
19 healthcare. Now my life is better. Making the  
20 prevailing wage, I am able to pay my bills and take  
21 care of my family members and that need help.  
22 Because of my healthcare I can afford to see a doctor  
23 that I like. I have a job stability and these  
24 workers and the workers of affordable housing  
25 developer deserve to have that too. I hope that the

2 City Council will pass this Bill today and over the  
3 years I've worked for H and R Block for 12 years just  
4 to make ends meet to take care of my family and I  
5 worked the poll for 13 years. For my grandkids, I  
6 help all of my family, I'm a Southern woman, I  
7 believe in helping children with education and old  
8 people and I give most of my money, I give a  
9 percentage to the church for the children education  
10 and I send money to the south to help old people to  
11 make ends meet. God Bless You. Thank you.

12 MICHAEL STEVENSON: Good afternoon Chair  
13 Miller and members of the Committee. Thank you for  
14 the opportunity to testify today. My name is Michael  
15 Stevenson and I am a school cleaner in the Bronx and  
16 I live in Queens. I've been through this fight. A  
17 few years ago, my co-workers and I fought to make  
18 prevailing wage ourselves. We were doing the same  
19 work as other cleaners but made less money. I had to  
20 work two jobs to try to make ends meet. It kept me  
21 away from my family and by the time I got home I was  
22 burnt out. These buildings service workers in  
23 residential buildings are doing the same work as  
24 others and they deserve to make prevailing wage. I  
25 hope the City Council passes this Bill. Thank you.

2           ARTIS BROWN: Good afternoon Chair Miller  
3 and members of the Committee. My name is Artis Brown  
4 and I have been a member of 32BJ for 32 years. The  
5 most impact having a prevailing wage job has had on  
6 my life are the health benefits. My family has  
7 needed to use these benefits many times throughout  
8 the years. About 10 years ago, my wife needed to be  
9 hospitalized and have emergency surgery. Our health  
10 insurance took care of everything, there was no out  
11 of pocket cost and she had access to some of the best  
12 doctors in the world. For 32 years my family and I  
13 have benefited from having a job that pays the  
14 prevailing wage. As I approach retirement, I told  
15 myself I would dedicate, excuse me. The last 10  
16 years of my working life to fighting with the union  
17 that has fought so hard for my peers, for my peers  
18 and me. I am honored to stand before you today in  
19 solidarity with property, service workers in  
20 affordable housing and urge you to please pass this  
21 Bill. Thank you.

22           KENJA HARPER: Good afternoon Chair  
23 Miller and members of the Committee. Thank you for  
24 the opportunity to testify today and thank you to the  
25 Speaker, Corey Johnson for prioritizing the needs of

2 workers. My name is Kenja Harper I am a, I have been  
3 a 32BJ member for six years. I am a security officer  
4 and I live in Harlem. Before I got my current job, I  
5 was making just above minimum wage with no benefits.  
6 I had to decide if I was going to pay certain bills  
7 or buy my children a pair of sneakers. I was on  
8 public assistance for food and healthcare. Now I can  
9 work without worry, without worry too much and it  
10 makes it better for me at work. I am able to do more  
11 for my children. I have alopecia and I went  
12 undiagnosed for years because I couldn't go to the  
13 right doctors, now I can see specialists. So now,  
14 excuse me, no one should have to struggle like that.  
15 Everyone should be paid the prevailing wage and  
16 people need to be able to go to the doctor. This is  
17 why I'm here to fight for building service workers in  
18 affordable housing developments to be paid the  
19 prevailing wage, I hope you pass this Bill. Thank  
20 you.

21 CHAIRPERSON I. DANEEK MILLER: Thank you,  
22 thank you to the members to the panel and especially  
23 for reaffirming your positions and your struggle here  
24 because sometimes that gets lost, right when we kind  
25 of move on and I recall being out there for a number

2 of years with school cleaners and making sure that we  
3 had parity in that was a struggle that made a  
4 difference in lives and that story needs to be told.  
5 So, thank you. Our final panel will be Raymond  
6 Perez, Fabian Campbell, Yvette Cumberban.

7           RAYMOND PEREZ: Good afternoon Chair  
8 Miller and members of the Committee. Thank you for  
9 the opportunity to testify today and I want to  
10 special give a thanks to Speaker Corey Johnson for  
11 prioritizing the needs of the workers. My name is  
12 Raymond Perez and I have been a member of 32BJ for 22  
13 years. I work as a handyman in a Mitchell Lama  
14 Building in East Village. I also live in the East  
15 Village. Before I had this job, I could not support  
16 myself. I was making just above minimum wage and one  
17 time I remember I had these terrible ear infections.  
18 It not only gave me the pain but I had to go through  
19 work for several days but it also took me two years  
20 to pay off that treatment. Making the prevailing  
21 wage substantially changed my life. I cannot only  
22 support myself but I can support my two kids and now  
23 recently helping out with the grandkid. As a  
24 handyman in affordable housing I have a great  
25 relationship with the tenants. They are almost like

2 extended family. Because of the stability of my job,  
3 I have seen kids growing up in my building become  
4 responsible adults and to this day we remain in  
5 touch. These are the workers in affordable housing  
6 development do the same job I do and they deserve to  
7 make the prevailing wage. I hope the City Council  
8 passes this Bill.

9           FABIAN CAMPBELL: Good afternoon Chair  
10 Miller and Members of the Committee. My name is  
11 Fabian Campbell and I have been a proud member of  
12 32BJ for three years. I am currently a maintenance  
13 working at a residential building in the Fidi  
14 District and I live in the Bronx. When I think about  
15 what having a prevailing wage job means to me, I  
16 think about all the security it provides for me and  
17 my family. As a husband and a father to four sons I  
18 strive to make an example for them on what it is to  
19 have a good job and provide for your family. I am  
20 able to sustain my household, pay bills and save a  
21 little money and spend time with my four sons that  
22 I'm working to bring up in this City to be fine young  
23 men. My goal today is to help to bring awareness to  
24 the needs of families in the City and what prevailing  
25 wage jobs provide. I do not struggle to provide for

2 my family and I am not worried about being able to  
3 give them the time that they need. I feel good  
4 knowing that I can provide without multiple jobs or  
5 giving up precious family time. You have the  
6 opportunity today to ensure that property service  
7 workers in affordable housing have access to upward  
8 mobility and security. I urge you to vote yes.  
9 Thank you.

10                   MARILYN VASQUEZ: Does this going. Oh.  
11 Good afternoon Chair Miller. Thank you for the  
12 opportunity to testify today. My name is Marilyn  
13 Vasquez and I have been a member for 26 years. I  
14 work as a cleaner in Midtown and I live in the East  
15 Village. Having a prevailing wage job means being  
16 able to provide for my daughter. I am able to pay my  
17 mortgage and have extra money in my pocket to send my  
18 daughter to college. Before I had this job, I didn't  
19 have the health insurance I have now. With the  
20 health insurance I have now I can take my daughter to  
21 the doctor or the emergency without having to pay a  
22 high cost. I know the difference making the  
23 prevailing wage makes and I urge you to pass this  
24 Bill. Thank you.

2 CHAIRPERSON I. DANEEK MILLER: Thank you  
3 so very much, thank you to the members of 32BJ who,  
4 who persevered and stayed around to tell your story  
5 and to ensure that your voices is heard here. Today  
6 we had an opportunity to hear several pieces of  
7 Legislation 1321, 1604, 108, Reso 40 and Reso 898 was  
8 not heard. Again, that was the farmer workers that  
9 was withdrawn because there was an agreement finally  
10 and those workers will receive the dignity and  
11 respect that they deserve. It is a pleasure for this  
12 committee to be just a small part of that victory as  
13 well. Uhm we appreciate all the testimony that is  
14 given here. As we move forward with the passage of  
15 this Legislation it will all be taken into  
16 consideration and many of you will be brought back to  
17 the table as we discuss further how we make this  
18 Legislation a reality and so I want to thank everyone  
19 who testified here today. I want to once again thank  
20 Council Staff and certain Malcolm and Kevin is still  
21 hanging around there for the, for the work that you  
22 have done but believe it or not the work that you  
23 will do in summarizing what has taken place and as we  
24 move forward with this very, very important  
25 Legislation that is going to impact not just the

2 lives of the workers but the services that they are  
3 delivering to communities, families and the City of  
4 New York. So, I'm thankful to everyone for your  
5 participation in this hearing. Once again, thank you  
6 to my staff and with that this hearing is adjourned.  
7 (gavel pounding). (applause).

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date July 15, 2019