

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONTRACTS

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June 25, 2009
Start: 10:16am
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HELD AT: Council Chambers
City Hall

B E F O R E:
LETITIA JAMES
Chairperson

COUNCIL MEMBERS:
Leroy G. Comrie, Jr.
Robert Jackson
(Acting Chair)

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

Quenia Abreu
President
New York Women's Chamber of Commerce

Jennifer Williford
Development Officer
Nontraditional Employment for Women

Amy Anderson
Project Manager
New York Industrial Retention Network

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2 CHAIRPERSON JACKSON: Good morning,
3 my name is Robert Jackson. And I am sitting in
4 for our colleague, Letitia James, who had to
5 attend a funeral this morning. So I will be
6 chairing today's Contracts Committee, regarding a
7 Resolution that we will be talking about, and
8 moving forward today. So, good morning. Today I
9 will chair this hearing before the Committee on
10 Contracts, on behalf of my colleague Letitia
11 James, who had another engagement, who will
12 hopefully join us at some point today. Thank you
13 for coming to this important hearing to consider
14 Resolution Number 1977 of 2009, sponsored by my
15 colleagues Council Member Leroy Comrie to my
16 right, and Council Member Seabrook. Calling upon
17 the New York State Legislature to pass, and the
18 Governor to enact Senate Bill Number 3514 and
19 Assembly Bill Number 7369 of 2009, which would
20 authorize political subdivisions to award public,
21 competitively bid contracts to businesses that
22 participate in programs designed to force the
23 participation by small, local business in public
24 procurement at a cost premium not to exceed ten
25 percent of the lowest bid. I would also like to

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2 take a moment to say that we may be joined by
3 other colleagues, there are other committee
4 meetings that are going on across the street a
5 City Hall. And I'd like to thank the Committee
6 staff, our Counsel to the Committee, Lisette
7 Camilo, who is sitting to my right; and Israel
8 Rodriguez, the Policy Analyst to the Committee,
9 sitting to my left, and who prepared the documents
10 and did all the work on behalf of the Committee.
11 Small business are the backbone of New York City's
12 economy. In this City, our great City of New
13 York, has more than 220,000 small businesses that
14 account for nearly half of the City's private
15 sector workforce. The current economic crisis is
16 affecting small businesses in far more direct way
17 than any other businesses. Consumer spending is
18 down, which everyone knows, which reduces cash
19 flow and access to credit and financing has
20 dwindled severely as a result of the banking
21 crisis. Furthermore, it is estimated that New
22 York City will lose as many as 165,000 private
23 sector jobs due to the effects of the City's
24 economic crisis, which would likely have a
25 devastating effect for small businesses. So how

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2 can we, how can the City help? One way is to
3 increase the number of small, local businesses
4 that are awarded procurement contracts. In Fiscal
5 Year 2008, for example, New York City procured
6 over \$16 billion in goods and services. If a
7 larger portion of those contracts were to be
8 awarded to small, local businesses, that support
9 would likely lead to much more cash flow to these
10 firms, and then affect employment for New York
11 City residents. The best way to go about doing
12 this is by allowing a small price preference to
13 small, local businesses, who submit bids for
14 competitively bid contracts. That price
15 preference would not exceed ten percent of the
16 lowest bid. In practice, this would mean that if
17 an out-of-state company, for example, submitted
18 the lowest bid, and a small, local business
19 submitted a bid that was five percent higher, the
20 City would be allowed to award the contract to the
21 small, New York City based business.

22 Unfortunately, the City Council cannot legislate
23 the requirement without State action. New York
24 State General Municipal Law, Section 103, demands
25 that competitively bid contracts be awarded to the

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2 lowest responsible bidder. The City Council is
3 working to change this. We have been working with
4 our partners in State, in the State Legislature,
5 to change the State law, so that the City and
6 other municipalities in the State, would be
7 authorized to give the price preference to small
8 business, small, local businesses, who submit
9 competitive bids on qualifying contracts. The
10 Resolution that we consider today urges our
11 partners in the State to pass this bill. A
12 requirement of the bill is that beneficiaries of
13 the price preference be participants of a program
14 designed to foster participation by small, local
15 businesses in public procurement. Though New York
16 City has such a program, which one is the locally
17 based Enterprises Program, run by the Department
18 of Small Business Services, we recognize that it
19 is very limited in its reach and application. We
20 also recognize that changes to the program must be
21 made in order to maximize the impact of the ten
22 percent price preference, and we will work to do
23 that. With that, I now turn to one of the prime
24 sponsors of the Resolution Number 1977, our
25 colleague, Council Member Leroy Comrie for opening

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remarks. Council Member Comrie.

COUNCIL MEMBER COMRIE: Thank you, Chair Jackson, I want to thank you for chairing the meeting today. I want to thank Council Member James for entertaining the Resolution. I want to thank Lisette Camilo and Israel Rodriguez for putting the language together so that we can have the Resolution before us today. As you know, Resolution 1977 calls upon the New York State Legislature to pass, and the Governor to enact, the pending legislation that you named, Senate Bill 3514 and Assembly Bill 7369 of 2009, that would authorize New York City to competitively bid contracts to local, small businesses at a cost not to exceed ten percent of the lowest bid. Small businesses are the economic engine of New York City, and should be preserved, protected and given opportunities to compete in the marketplace. In 2008, New York City government procured over \$16 billion. If some of these procurement dollars were redirected to small businesses, it would ensure that the economic viability and additional employment opportunities for many New York City residents. For the past few years, small

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2 businesses have been struggling with high rents,
3 high energy costs, and now with the recession,
4 loss of business. New York State requires that
5 nearly all public contracts go to the lowest
6 bidder. Although the Mayor and we in the City
7 Council have implemented programs to help small
8 businesses, many of them could not be awarded
9 these contracts as their costs have only been
10 marginally higher than the lowest bidder. This
11 pending legislation would address this problem.
12 But smart public policy decisions must also be
13 made in conjunction with smart decisions on
14 spending taxpayer dollars. As we know, all know
15 after this budget process, tax revenues have
16 declined dramatically. The pending legislation
17 would authorize New York City to award contracts
18 to small businesses within the City at a cost not
19 to exceed ten percent of the lowest bid. This
20 would ensure that this potential program could
21 truly help New York City small businesses, but not
22 at the expense of vital City programs. Again, I
23 would like to thank you, Chair Jackson, and I
24 would hope that my colleagues will support and
25 vote for Resolution 1977. Thank you.

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2 CHAIRPERSON JACKSON: Thank you,
3 Council Member Comrie. With that, I would like to
4 call the first panel of this morning: Quenia
5 Abreu from the New York Women's Chamber of
6 Commerce; Jennifer Williford, the Nontraditional
7 Employment for Women; and Amy Anderson from the
8 New York Industrial Retention Network. Please
9 come forward. If you have testimony, please give
10 it to the sergeant-of-arms. [pause, background
11 noise] Ms. Abreu?

12 QUENIA ABREU: Yes.

13 CHAIRPERSON JACKSON: Please
14 introduce yourself, and you may begin your
15 testimony.

16 QUENIA ABREU: Thank you very much.
17 And good morning, my name is Quenia Abreu, I'm the
18 President of the New York Women's Chamber of
19 Commerce. And an organization that represents
20 over 2,000, a little more than 2,000 business,
21 small businesses in the City of New York. And an
22 organization that was founded to provide support
23 and technical assistance to current and aspiring
24 small businesses within the confines of the City
25 of New York, focusing primarily on women and

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2 minorities, as you know. As you are already
3 aware, over 90 percent of the businesses that
4 produce revenue for the City of New York are small
5 businesses. They are the economic backbone of our
6 economy and receive little recognition and
7 assistance. They also employ the largest number
8 of workers in the City of New York. Yet, they are
9 the first to feel the negative times in the
10 economy, and the last to receive any economic
11 assistance, if there is any. Our small businesses
12 are still waiting for their bailout package, a
13 package we all know will never come. Nor are they
14 directly included in the present bailout voted by
15 Congress. Indirectly, however, they might be able
16 to benefit, considering they are able to big and
17 win in favorable conditions some of the contracts
18 that will be available through the City agencies,
19 as a result of the stimulus package. These
20 favorable conditions can only exist when a small
21 business owner is able to bid and win a contract
22 by providing goods and services at the right
23 competitive price, not at the lowest possible
24 price. When City agencies award a contract to the
25 lowest possible bid, we are hurting our small

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2 businesses. The bigger the business, the lowest
3 the price it can offer. Small businesses cannot
4 compete with the prices available by the big
5 corporations. They can easily, they can be easily
6 outbid. And when they do win, their profit, it's
7 marginal. Reason why it's some of our small
8 businesses have opted for not competing for City
9 procurement contracts. Our businesses are hurting
10 badly, they deserve to be helped. Many are
11 closing shop and releasing even more hardworking
12 New Yorkers to the unemployment line. We need
13 them to continue providing employment and fuel our
14 economy. Reasons why I support the Council
15 decision to call up on the New York State
16 Legislator to pass, and the Governor to enact
17 S3514 and 87369, authorizing political
18 subdivisions to award public competitively bid
19 contracts to businesses that participate in
20 programs designed to foster the participation by
21 small, local business in public procurement at a
22 cost premium not to exceed ten percent of the
23 lowest bid. Thank you so much for allowing me to
24 testify today.

25 CHAIRPERSON JACKSON: Well, thank

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2 you for coming. And next we'll hear from Jennifer
3 Williford, the Nontraditional Employment for
4 Women. Please introduce yourself and you may
5 begin your testimony.

6 JENNIFER WILLIFORD: Good morning,
7 Jennifer Williford, I work at Nontraditional
8 Employment for Women. I would like to thank you
9 for the opportunity to speak this morning. We are
10 extremely grateful to the City Council for its
11 continued support of our program. As you may
12 know, the City Council has provided funding for
13 our program, and for our City owned facility, and
14 this has greatly helped NEW to continue to grow
15 over the last few years. Nontraditional
16 Employment for Women, or NEW, trains women and
17 places them in careers in the skilled
18 construction, transportation, utility and
19 facilities maintenance industries. NEW focuses on
20 unionized jobs in the trades that have starting
21 wages averaging \$15 per hour, health benefits, and
22 provide a path to higher wage employment. These
23 careers enable women to move from unemployment, or
24 low wage employment, and provide an opportunity
25 for women to secure a future for themselves and

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2 their families. 85 percent of the women NEW
3 serves identify themselves as minorities. NEW
4 students face many risk factors including
5 histories of domestic violence, substance abuse,
6 criminal activity, and lack of stable housing.
7 Many NEW students are low income women who
8 struggle to provide for their families. NEW
9 provides opportunities for women through hands-on
10 training and education, workforce development, and
11 policy advocacy. Over the past year, NEW has
12 trained 450 women and placed women in more 250 new
13 jobs with 19 unions. Our direct relationship with
14 unions and employers places NEW in the unique
15 position to provide rigorous training and job
16 skills that will help our graduates succeed in the
17 field. We provide ongoing education and social
18 service support to our students and graduates. As
19 a result of a coordinated effort between NEW,
20 labor unions, contractors and government, the
21 number of women construction workers in New York
22 City has grown substantially. We have seen
23 tremendous progress, but women still represent
24 only a small fraction of construction workers
25 today. NEW strongly supports Resolution 1977

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2 which would allow the City to award public
3 procurement contracts to participants of a small
4 business enterprise program at a cost premium of
5 up to ten percent. The benefits of this
6 legislation are numerous. It will expand
7 contracting opportunities for women, minority and
8 local owned businesses, diversity the City's
9 vendor base, strengthen the City's economy, and
10 most importantly help place more women on
11 construction projects. MWBEs and local owned
12 businesses are more likely to hire minority and
13 women subcontractors. I recently spoke to
14 Christine Knoblock, a new graduate and the owner
15 of Christine Painting. She mentioned to me that
16 business was slow and that she was worried that
17 she might have to close her business. But she
18 said that she would keep looking for work, and she
19 would continue to hire union painters, preferably
20 women. She said that NEW had been instrumental in
21 preparing her for a career as a painter, and had
22 also encouraged her to start her own business.
23 Our students are not just tradeswomen, they are
24 small business owner committed to the trades and
25 working to strengthen the industry. Resolution

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2 1977 will give New York City the flexibility to
3 increase the participation rates of MWBEs and
4 local owned businesses. But it will also allow
5 the City to encourage a requirement that New York
6 City construction contracts be awarded to
7 contractors and subcontractors with agreements
8 with New York State Department of Labor registered
9 apprenticeship programs, and establish a
10 requirement at or above 6.9 percent for
11 participation by women in the trades on New York
12 City funded construction projects. This will
13 ensure that women will be able to participate in
14 construction in New York City and earn a living
15 wage that will allow them to support their
16 families. NEW supported the Council when it
17 passed Local Law 129, which set forth
18 participation goals for MWBEs to increase
19 participation in City procurement. But year after
20 year the City has failed to reach these goals due
21 in large part to the restrictions of state
22 legislation. We are encouraged by these new
23 measures that will ensure full and equal
24 participation for MWBE and local owned businesses.
25 The federal funding provided by the American

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2 Recovery and Restabilization Act, will revitalize
3 New York's infrastructure. Women should and must
4 be a part of these projects at all levels. Today,
5 NEW is training the tradeswomen that will help
6 build New York City tomorrow. NEW supports women,
7 we support women working, and we support women
8 working in the building and construction trades.
9 Thank you for your time and your continued support
10 of NEW.

11 CHAIRPERSON JACKSON: Well, thank
12 you for coming in, representing your organization.
13 And next we're going to hear from Amy Anderson,
14 the New York Industrial Retention Network. Please
15 introduce yourself and you may begin your
16 testimony.

17 AMY ANDERSON: Hi, good morning,
18 my name is Amy Anderson, and I'm a Project
19 Manager for the New York Industrial Retention
20 Network, also known as NYIRN. I would first like
21 to thank the Contracts Committee for giving me the
22 opportunity to testify today on incorporating a
23 price preference for local businesses in New York
24 State's procurement policy. NYIRN is a citywide
25 economic development organization that works with

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2 manufacturers to retain and create blue collar
3 jobs and promote sustainable development. We work
4 with over 200 manufacturing companies a year
5 through a suite of programs and services. These
6 firms provide goods to a host of local sectors,
7 including retail and restaurant businesses, as
8 well as the public sector. Their role is critical
9 to maintaining a diverse local economy. The
10 downturn of the economy has deeply impacted these
11 small businesses, most of who are looking to
12 participate in government contracting, but have
13 not been able to access the market or are
14 repeatedly underbid by non-local firms. NYIRN has
15 provided assistance to manufacturing companies
16 looking to sign up for government purchasing,
17 specifically those involved in the building
18 product market. The passage of Local I-86 as well
19 as city government shift in preference for more
20 environmentally benign products, has created an
21 additional market for local manufacturers to sell
22 their goods. Through our Spec it Green, the local
23 advantage program, NYIRN invited both city and
24 state agencies to present on and talk with
25 manufacturers about how they can sell to

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2 government, including the information they should
3 be able to provide about their company and
4 products. Additional opportunities for local
5 purchasing are being created through other forms
6 of legislation, including the suite of energy
7 efficiency bills for existing buildings. These
8 initiatives outline a comprehensive process for
9 which building owners and some net lessees will
10 ultimately be required to implement energy
11 conservation measures to increase their building's
12 energy efficiency. We anticipate an increase in
13 the types of materials and equipment needed to
14 retrofit these existing buildings, many of which
15 can be produced within the five boroughs. New
16 York State's proposed bills, S3514 and A7369,
17 suggest a cost premium of ten percent of the
18 lowest bid for small local businesses. Such a
19 premium will give local stores and factories a
20 competitive edge in the bidding process, which
21 will in turn expand their existing customer base
22 and secure their place as a vibrant component in
23 the City's economy. The small business sector is
24 a dominant employer of City residents, and should
25 therefore be supported through such initiatives as

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2 local procurement preferences, to ensure their
3 survival. The State's adoption of such
4 preferences would be consistent with other state
5 policies throughout the U.S., who leverage the
6 participation of small local firms by giving them
7 a percentage preference on bids, such as
8 California, Hawaii and Maine; and offer other
9 predetermined conditions for a preference,
10 including states Florida, Colorado and New Mexico.
11 Finally, NYIRN also lends its support in
12 establishing programs based on political
13 subdivisions that will provide outreach and
14 education services to small businesses regarding
15 public procurement opportunities. Marketing and
16 promotion are critical components to the success
17 of this initiative. These businesses generally
18 lack the time and resources to explore government
19 incentive programs, and fulfill the administrative
20 requirements associated with them. New York
21 State's development and implementation of a local
22 procurement law sets a precedent for its cities to
23 follow that will diversity the public marketplace
24 and strengthen small businesses, the lifeblood of
25 today's economy. NYIRN offers its services to

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2 reach out to its network of local manufacturing
3 firms, ensuring that small production businesses
4 learn about and fully participate in this
5 opportunity. Thank you.

6 CHAIRPERSON JACKSON: I want to
7 thank you for coming in and representing your
8 organization. And we've been joined now by the
9 Chair of the Contracts Committee, our colleague
10 Letitia James, and so--But let me ask one
11 question, and then I'm going to turn it, the Chair
12 back over to Letitia James. Have any of your
13 constituencies submitted bids for any publicly bid
14 city contracts? And if so, can you estimate how
15 many lost that bid because there were, there are
16 not, they were not the lowest bid submitted? So,
17 do you have any experience on that? Do you have
18 any knowledge or any opinions? Has anyone
19 communicated to you about those situations?

20 AMY ANDERSON: If I could go first,
21 I guess--

22 CHAIRPERSON JACKSON: Just identify
23 yourself.

24 AMY ANDERSON: There, there is one
25 company that we've worked with, who was bidding on

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2 some, providing actually waterless heaters for
3 some NYCHA housing, and were underbid by a Texas
4 firm, who then in turn patented a particular set
5 of technology for that heat, for that heater, the
6 waterless heater tanks. And have reached out to
7 their personal Council members, to the speaker, a
8 wide variety of people and have actually had no
9 success. And estimate that they could've added
10 about eight to ten jobs and lost about a \$10
11 million contract.

12 CHAIRPERSON JACKSON: And so those
13 jobs, and that money, if in fact the State bills
14 were passed into law, that money would then flow
15 inside to New York City contracts, and you would
16 have eight to ten, maybe more employees employed,
17 if in fact--

18 AMY ANDERSON: Exactly. And this
19 company already currently employs 100. And so, by
20 winning that contract, they would've been able to
21 ramp up their production, requiring more
22 production employees.

23 CHAIRPERSON JACKSON: Any other
24 experience on that from any other panelist? So,
25 just identify yourself before you begin speaking,

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QUENIE ABREU: Yes, my name is

Quenie Abreu, I'm with the New York Women's Chamber of Commerce, and we had that experience with a couple of our MWBEs, but just currently, one of the companies that did provide a copying services to the schools, was telling me that he can no longer, he's no longer bidding for contracts, because he's been outbid by the major corporations, several times. And this is actually the person that made the copies for me this morning, the ones that I handed out to you. And he said, "I can no longer, I can't afford to bid for contracts, because I was not even making much of a profit there. And so, I'm no longer bidding." And he's actually in an area that some of the schools were giving him business, and they're no longer giving him the business. It's, the name of the company's Copy USA.

CHAIRPERSON JACKSON: Okay. Let

me, let's turn to our colleague, Council Member Leroy Comrie for a question. Council Member Comrie.

COUNCIL MEMBER COMRIE: Thank you,

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2 I want to thank the three, and the representatives
3 from the three entities for being here this
4 morning, and for supporting the legislation. Have
5 you gone to Albany to lobby them on the Senate
6 bill and the Assembly bill? And what kind of
7 response have you gotten from them at that level,
8 if any? If you've had opportunity to do that.

9 QUENIE ABREU: Well, we haven't had
10 the opportunity, but we would love to do that, and
11 especially join you, if you decide to go up there
12 and need our assistance.

13 COUNCIL MEMBER COMRIE: Okay. I
14 look forward to making that happen. And clearly,
15 as you're aware, there are so many contracts that
16 are bid through the City, and also through the
17 Department of Education, that locally based
18 businesses don't get an equal opportunity to do
19 so, because we are nickel and diming them to
20 death, so to speak. So, you know, I look forward
21 to this bill being passed, and if there are any
22 other specific examples that you can give this
23 Committee, on locally based businesses that are
24 not getting an opportunity to bid because of those
25 cost differences, if you could please let the

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2 Committee know. The more details we have would be
3 helpful to actually putting some other packages
4 together to try to help locally based businesses
5 and retain jobs in the community. I would also
6 want to ask you, do you have, have you had an
7 opportunity to see any new businesses be created
8 within the last year, even though we've been in a
9 negative economy? Have any new businesses reached
10 out to the Chamber of Commerce or the Industrial
11 Retention Network for help with starting up?

12 QUENIE ABREU: Definitely so. I
13 think that one of the things that really makes
14 this City special is that people don't really give
15 up. And especially we see now what we have
16 happening at the Chamber, is that those people
17 that have been employed, that have lost their
18 jobs, especially in the financing, the financial
19 industry, are turning to starting a job, to
20 starting a job as an alternative to employment. So
21 that's what we've been seeing an increase,
22 actually, in people starting jobs.

23 COUNCIL MEMBER COMRIE: So you see
24 more people trying to stake out their own
25 opportunities, to control their own lives--

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2 QUENIE ABREU: Mhm.

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4 COUNCIL MEMBER COMRIE: --by being
5 their own entrepreneur. So, it's even more
6 important that we try to help those New Yorkers
7 with opportunities with getting City or business,
8 or business that's--and that's generated by a
9 government entity, one way or the other. So, I
10 would hope that, you know, we also get some other
11 ideas from, to talk about how we can strengthen
12 the economic opportunities for locally based
13 businesses.

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14 QUENIE ABREU: One thing that I do
15 want to add, what we have seen also, is that some
16 of our MWBEs that had been certified as MWBE are
17 not looking to get recertified, because of the
18 fact that they have not been able to get a
19 contract, or because of the fact that they have
20 been outbid by companies offering lower prices.

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21 COUNCIL MEMBER COMRIE: So, are you
22 saying that--so then we need to work with SBS and
23 also the Deputy Mayor Lieber regarding those
24 issues, because that's something we really need to
25 talk about. I know many locally based businesses
that actually do more work, and outside of the

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2 State than in the State, because of those types of
3 issues. And, you know, so it's interesting that
4 they wind up also, with rather doing procurement
5 contracts with entities other than New York City
6 entities, as well, because of the timing involved
7 to get their money. I know it's a little off
8 topic for the Resolution, but you know it just, it
9 just irks me every time I run into somebody, which
10 I did this week, that's struggling to maintain
11 their business, but they'd rather not deal with
12 the City, because of all the red tape, even after
13 they get the contract. But you know, I would hope
14 that this legislation, I hope that you get a
15 quorum today so that you can vote this out. And--
16 Oh, this is the first hearing? Oh, okay, well
17 sorry.

18 FEMALE VOICE: Next time.

19 COUNCIL MEMBER COMRIE: Next time.

20 So, you know, but I do have to run back to my
21 district, to cover some meetings that I promised
22 to be at. So, Mr. Acting Chair, Madam Chair,
23 thank you very much for allowing me to sponsor
24 this Resolution, and again I want to thank the
25 staff for putting it together, and thank you

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ladies for being here this morning. Thank you.

CHAIRPERSON JACKSON: Thank you, Council Member Comrie. Let me just ask this question to the panelists: How would you respond to the following criticisms that during these dire economic times, the City of New York is experiencing difficulty as characterized by layoffs, increased taxes, budget cuts, businesses closing? Why should this City award a contract to a small, local business, who will charge more, up to ten percent, maybe, maybe, as a result if they got a contract where there was up to a ten percent preference, meaning higher than the lowest responsible bidder, rather than the City of New York giving it to an out-of-town business who will give the City, in some people's opinion, a better deal? How would you respond to that type of criticism? Just identify yourself and you can give the response.

JENNIFER WILLIFORD: Jennifer Williford, Nontraditional Employment for Women. I would have to say that the City has made it a priority to support small businesses through the creation of Small Business Services, through the

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2 passage of Local Law 129. We've already set that
3 standard that we are going to support these
4 businesses, 220,000 businesses that employ people
5 in the City. And I think the initial outlay of
6 additional funds, yes, might be a little
7 frightening at first, but again as we keep that
8 money inside the City, we're reinvesting in our
9 communities. You know, when we hire, we award
10 contracts to minority, women, local owned
11 businesses, they're hiring from within. So these
12 are people that are going to, you know, be able to
13 earn a living wage and spend that money inside New
14 York City. So, yes, it does, on its face, you
15 know, seem extravagant perhaps to, you know, spend
16 extra money on bids, with a bid preference
17 program, but again this is money that is circling
18 inside the City, and I think that's important.
19 And we, like I said, we have already made this a
20 priority to support small businesses.

21 CHAIRPERSON JAMES: Before my
22 colleague leaves, let me publicly thank him. I
23 apologize for being late, but I had to attend the
24 graduation of a young girl who's, who was a
25 resident in the buildings that collapsed in my

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2 district. She lost everything, but yet and still
3 she was able to graduate today. We were able to
4 raise funds for her, a dress, and her family was
5 there, so it was really important that people hear
6 the message that, no matter what's going on in
7 your life, you know, you still should focus. And
8 this young girl, despite the fact that she
9 literally walked out of the building within
10 seconds before it collapsed, she smiled at me and
11 said, "Don't worry, I'm okay." So I had to be
12 there. So, I thank you. Are there any other
13 questions? Yes, ma'am.

14 AMY ANDERSON: If I could just
15 actually respond to that question, as well. My
16 name is Amy Anderson, I work with the New York
17 Industrial Retention Network, and I just, I would
18 like to echo what Jennifer is saying about keeping
19 that money spent, those local dollars here,
20 circulating within the local economy. I also
21 think that what might appear to be, you know, a
22 higher cost on the front end, is actually saving
23 us a lot of money on the back end, from when
24 companies, specifically manufacturing firms, are
25 having to downsize, and those former employees are

1
2 now collecting unemployment. That's a serious
3 strain on both the City and State's local economy.
4 Just as I mentioned with that company, which the
5 name is Diversified Heat Transfer, that's
6 something else, they could've employed more City
7 residents, with the local procurement preference.
8 And so I think it's kind of all looking towards
9 more of the sustainability of really the economy,
10 the environment, and also the, really the social
11 equity of our residents, to be able to actually
12 gain employment with healthy, vibrant companies.

13 CHAIRPERSON JAMES: I have
14 witnessed when companies outside the City and/or
15 State of New York, when bids, they tend to pay
16 their workers less wages, lower wages. Those
17 companies in New York that tend to be unionized,
18 out of state they tend not to be. There's a
19 number of other laws and regulations that do not
20 apply to them, such as discrimination, such as
21 harassment, and so a number of laws that are here
22 in New York to protect employees, are not extended
23 in other states, and also benefits. And so it's
24 critically important that we pass this law. And
25 so my last question, or my question, is, is there

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2 any opposition as far as you know in the industry?
3 And if so, from whom? And what is their
4 opposition as far as you know?

5 FEMALE VOICE: Go ahead, go ahead.

6 JENNIFER WILLIFORD: Jennifer
7 Williford, Nontraditional Employment for Women.
8 We have had tremendous support, obviously, we work
9 with unions. They're supportive of our
10 organization, they are supportive of unionized
11 jobs. So I think, you know, the large developers,
12 small businesses, contractors, they want to keep
13 these jobs union, that is of critical importance
14 to them and to us, so we support that. And we've
15 not seen really any opposition to that as, as far
16 as I know.

17 QUENIE ABREU: I think I have to
18 echo that, when you talk to people and you explain
19 to them, and especially when they see it as our
20 tax paying dollars, staying where it needs to be
21 spent, which is here in New York City, and
22 providing jobs to our people, they totally
23 understand. I think the opposition really
24 sometimes come from the top, where they see that
25 it's more important really to save money and what

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2 happens with that is when, and of course the
3 bigger, you know, the big corporation, especially
4 those outside that want to come to New York and do
5 business in New York. However, they do come to
6 New York and they, a lot of times, don't even
7 employ our people. They bring their own people
8 with them.

9 CHAIRPERSON JAMES: Well, you know,
10 it reminds me of this discussion on a national
11 level, with regards to protectionism. And the
12 notion is, is that you know, we can't put borders
13 around our city and our state. And that other
14 states perhaps may retaliate. Have you heard
15 that? No. Okay.

16 FEMALE VOICE: No. [laughs]

17 CHAIRPERSON JAMES: So, my question
18 to you is, the bills in the Assembly and the
19 Senate have, are they on the floor? Are they out
20 of Ways and Means and Finance? Do you know where,
21 what's the status of the bills in their respective
22 houses, in Albany?

23 FEMALE VOICE: No. - -

24 CHAIRPERSON JAMES: Okay. So given
25 the--the, how could I describe it, the

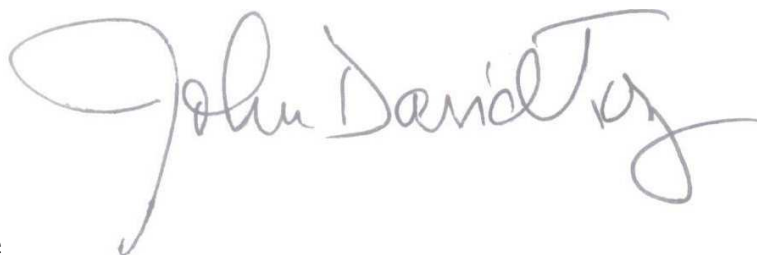
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2 dysfunction, I guess that's a harsh term, but it
3 is what it is, in the State Senate, I just hope
4 that this bill is part of their agenda, before
5 they recess for the summer. So I thank you
6 ladies. And I believe that concludes this
7 hearing. And again, I thank my chair and my
8 friend, it's always wonderful to know that you can
9 rely upon one of your colleagues when things come
10 up. And ladies have a good day, and that
11 concludes the Contracts Committee. [gavel]

12 FEMALE VOICE: Thank you.

13

C E R T I F I C A T E

I, JOHN DAVID TONG certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

A handwritten signature in cursive script that reads "John David Tong". The signature is written in a dark ink and is positioned above the printed label "Signature".

Signature

Date August 5, 2009