#### Testimony of the

## New York City Department of Housing Preservation and Development to the New York City Committees on Consumer and Worker Protection and Civil Service and Labor

#### **Introduction 910**

#### October 28, 2024

Good morning, Chair De La Rosa and Chair Menin, and members of the New York City Council Committee on Civil Service and Labor and members of the New York City Committee on Consumer and Worker Protection. My name is Ahmed Tigani, HPD's First Deputy Commissioner and Chief Diversity Officer at the New York City Department of Housing Preservation & Development (HPD). I am also joined by Lucy Joffe, Deputy Commissioner for Policy and Strategy. Thank you for the opportunity to testify about Introduction 910.

HPD expands opportunities for New Yorkers – when we build housing, we are creating good jobs with fair wages and investing in the city's workforce. We take that economic development function seriously. The administration successfully negotiated for higher wages for workers on new housing built with the 485-x tax incentive last spring. We are proud of that commitment and that the mixed income housing created as result of the 485-x program will create many more good paying jobs.

But our primary focus is on building and preserving housing for the New Yorkers who so desperately need it. Increased wages come at a price and can require difficult tradeoffs. Affordable housing has historically been treated differently because of the widespread recognition of how desperately we need to build and preserve as many affordable homes as we possibly can. If we're going to introduce new wage requirements for affordable housing, we must do so carefully and consider the impact of this bill on our mission to address New York City's ongoing affordability crisis by building, preserving, and maintaining affordable housing.

Based on our initial analysis, this legislation could cost more than \$500 million per year to maintain similar levels of production. As production targets increase, those numbers compound and the cost balloon. New wage requirements of this kind result in higher costs for HPD in the form of 1) increased wages for workers 2) increased administrative and enforcement costs 3) higher insurance 4) higher per-project LIHTC needs, which is a limited resource, meaning that fewer projects can be built with this critical funding source. And because HPD is a gap financer, meaning we cover the gap in project costs between what can be supported by the project's income and the total cost of the project, these costs do not get passed onto the developers; increases in project costs are funded from HPD's capital budget.

The increased costs associated with these new requirements would force us to make some very difficult choices—potentially significantly reduce the number of affordable homes we can provide or build fewer deeply affordable rental units or fewer homeownership units – because these are the two most expensive types of housing we build. Increased costs at this level threaten

the progress we've made on greening our pipeline and building in limited affordability areas to advance our fair housing goals. New wage requirements can be the difference between some projects being financially feasible vs. infeasible. They may discourage would-be developers from participating in our subsidized projects, limiting our pool of experienced partners and preventing new and smaller developers from entering the field, such as non-profits and minority-and women-owned business enterprises. Wage requirements will force us to make difficult tradeoffs in a constrained capital resource environment as we fight an affordability crisis that is worse than ever.

HPD remains committed to the economic development role that our work plays in our city. In addition to the new wage requirements for 485-x, we strive to support our city's workforce in a number of ways—we have built out our Housing Career Pathways program to create a groundbreaking, scalable program that connects low-income New Yorkers to job opportunities in the housing sector. Just this year, we hit our milestone goal of employing our 100<sup>th</sup> graduate from the Housing Career Pathways Program in the housing sector since the program's inception. HPD's support and investment in the City's workforce also extends beyond construction jobs. Through HPD-financed projects, we support community engagement experts, relocation specialists, consultants, and many other critical trades that are a key part of the industry and the work we do every day to support New Yorkers.

We look forward to working with the City Council to find ways to support construction workers and community hiring while maintaining our capacity to address the critical need for affordable housing. We believe that with thoughtful collaboration, we can find a solution that supports workers and communities, and our critical affordable housing goals.

Thank you for the opportunity to testify about this important issue, and we look forward to your questions.



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF LABOR LAW
1 CENTRE STREET
NEW YORK, NY 10007

BRAD LANDER COMPTROLLER

#### TESTIMONY OF NEW YORK CITY OFFICE OF THE COMPTROLLER

#### Committee on Civil Service and Labor

Claudia Henriquez, Director of Workers' Rights and Bureau of Labor Law
October 28, 2024

My name is Claudia Henriquez, Director of Workers' Rights and the Bureau of Labor Law at the Office of the New York City Comptroller Brad Lander. Thank you to the Committee on Civil Service and Labor and Chair Carmen de la Rosa for the opportunity to testify today. I'm here to speak on Int. 910, which establishes wage standards for city assisted housing development projects.

The Comptroller's Bureau of Labor Law is authorized by Articles 8 and 9 of the New York Labor Law to enforce the prevailing wage on public construction projects and city agency building services contracts, respectively. The Bureau also enforces wage standards through local laws that provide for a prevailing wage or living wage on city contracts and city-subsidized projects. Since Comptroller Lander came into office in 2022, the Bureau has recovered over \$8 million in back wages and interest to workers and civil penalties for the city. Our dedicated team of attorneys, investigators, auditors, classifications specialists, and administrators has the experience and expertise to enforce Int. 910 if it passes.

We commend the Council for strengthening labor protections in city assisted construction projects. Comptroller Lander strongly believes that where city money is being spent, the workers on those projects should earn fair wages with strong labor protections. The Comptroller also believes that much more deeply affordable housing is needed to meet the needs of New Yorkers. Stronger labor protections and wage standards on affordable housing projects should come along with increased City capital so that the same depths of affordability and levels of production can be reached.

We have a few technical edits that we believe will strengthen the legislation.

1. Revise definition of "construction employer." The current definition of "construction employer" refers to "any person, corporation, limited liability company, or association *employing a construction worker*." (Emphasis added.) The definition should also include the term "directly, or indirectly, such as through a subcontractor or subcontractors." Section § 26-3608 of the statute makes a "construction employer" liable for the wages owed by their subcontractors. However, under the current definition of "construction employer," the subcontractor could in many cases *be* the "construction employer," rendering that provision ineffective at reaching the prime contractor.

The wage requirements, essential benefits, and written notifications in the statute must be provided by the "construction employer," and records must be kept by the "construction employer." These are actions typically undertaken by a worker's direct employer, which may be a subcontractor, and the use of "construction employer" in these sections implies a direct employment relationship between the construction employer and the construction worker. Adding the language proposed above would ensure that joint liability is available to construction workers for all of the rights articulated in the bill without requiring workers employed by subcontractors to undergo a painstaking joint employer legal analysis in order to hold the prime contractor liable.

- 2. Strengthen provisions around required notices. Section 26-3603(c) requires a construction employer to provide construction workers with a written explanation of all essential benefits that will be paid, with a new notice to be issued if there is a change to the benefits being paid. This section contains no deadline by which the new notice must be provided. We propose adding a requirement that the new notice must be provided in writing no later than ten (10) days from the date of the change. Relatedly, there is no penalty provision for failure to provide such a notice, and we propose that there be liability for the employer's failure to provide the required notices.
- 3. Revise date of wage publication. Currently, Section 26-3603(e) requires the Comptroller to post a new combined wage and essential benefit amount for construction workers on housing development projects on December 31, 2025, and annually thereafter. The Comptroller's Prevailing Wage and Living Wage Schedules for all other laws enforced by the Comptroller are issued on July 1 of each calendar year. We propose that the wage schedule for workers covered by Int. 910 be aligned with the Comptroller's other wage schedules, beginning July 1, 2025 or July 1, 2026, depending on the anticipated effective date of this law. This will avoid confusion among contractors who are accustomed to the July 1 deadline and is a more efficient use of the Comptroller's staff's resources.

- 4. Clarify "30 days to cure" language. Section 26-3606(c) provides employers with "no less than 30 days to cure the investigation via a stipulation settlement." We are unclear whether this requires the employer to enter into a stipulation of settlement within 30 days of being notified of the conclusion of an investigation, or 30 days to pay the settlement amount once a stipulation has been executed. We propose the latter. As a practical matter, while laudable, it is unrealistic for a settlement to be reached within 30 days of the conclusion of an investigation due to the negotiations that are typically required.
- 5. Include interest explicitly. Section 26-3606(d) provides for the payment of wages, reinstatement, civil penalties, and other remedies against employers who have violated the law. However, there is no explicit provision for interest to be paid to construction workers. We propose adding the language that appears in all of the local wage laws in which the Comptroller has investigatory or enforcement authority, including NYC Admin. Codes §§ 6-109; 6-109.1; 6-130; and 6-134. This language provides that, in addition to wages and/or the monetary equivalent of benefits, the worker is entitled to "interest from the date of the underpayment to the worker, based on the rate of interest per year then in effect as prescribed by the superintendent of banks pursuant to section 14-a of the state banking law, but in any event at a rate no less than six percent per year."
- 6. More resources for Comptroller's Bureau of Labor Law. Finally, we believe that in order to properly enforce this bill, including the provisions of Section 26-3605(b) that require every construction employer to submit their certified payroll reports to the Comptroller, we will require additional resources in the form of additional attorneys, investigators, and auditors, to properly audit these records. We will also need additional funding to establish the electronic document submission portal contemplated by the statute in order to efficiently audit the submitted records. Accordingly, we respectfully request that additional resources for enforcement be contemplated with the passage of this law.

Thank you for the opportunity to speak today. We look forward to ongoing opportunities to partner with the Council to champion strong labor standards for workers.

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NEW YORK STATE
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25TH DISTRICT

#### DISTRICT OFFICE

159-16 Union Turnpike Flushing, New York 11366 718-820-0241

#### **CAPITAL OFFICE**

Legislative Office Building, Room 941 Albany, New York 12248 518-455-5172

#### **EMAIL**

rozicn@nyassembly.gov

#### REPRESENTING

Flushing, Queensboro Hill, Hillcrest, Fresh Meadows, Auburndale, Oakland Gardens, Bayside, Douglaston

October 28, 2024

Councilmember Carmen De La Rosa Chair, Committee on Civil Service and Labor New York City Council

Dear Chair De La Rosa and Esteemed Committee Members:

I am grateful to you and the members of the Committee on Civil Service and Labor for elevating the Good Jobs Guarantee Act through Resolution 522 in the New York City Council. Thank you for hosting this important hearing and allowing me to submit testimony in support.

Earlier this year, Senator Gianaris and I introduced the Good Jobs Guarantee Act, a bold and innovative approach to how New York State can fuel workforce development in a sustainable way, helping meet the demand for talent while driving economic transformation for individual New Yorkers.

The Good Jobs Guarantee Act addresses the pressing challenges faced by low-income residents in our state. With 77% of jobs paying over \$60,000 requiring a four-year college degree—while 60% of our residents do not possess one—it is imperative that we create pathways for success in emerging industries without the burden of debt.

Through the establishment of a \$100 million guarantor fund, our legislation seeks to unlock approximately \$1 billion in private funding for proven workforce development programs. This investment is projected to generate 24,000 good-paying jobs, resulting in \$6.5 billion in worker earnings and an impressive \$21.5 billion in total economic output for the State of New York.

Unifying around this bill will send a clear message that this kind of nation-leading model has the support of the city leaders who are dedicated to building an economy that works for everyone.

Thank you for holding this hearing on Resolution 522 in support of the Good Jobs Guarantee Act. Together, we can bridge the opportunity gap and foster a fairer, more equitable economy for all New Yorkers.

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Councilmember Carmen De La Rosa Chair, Committee on Civil Service and Labor New York City Council

Dear Chair De La Rosa and Esteemed Committee Members:

My name is Michael Gianaris, and I serve as the Deputy Majority Leader of the New York State Senate. I am the sponsor of S.9376, the Good Jobs Guarantee Act, which would revolutionize the way we train workers in this state and help lift thousands out of poverty and into good-paying jobs. I want to thank the New York City Council for your interest in this important legislation and for giving me an opportunity to provide written testimony.

Sixty percent of New Yorkers do not have a college degree, and yet 77% of jobs paying over \$60,000 require one. The problem is that a college degree is not always obtainable for every New Yorker, and it should not be the only path to economic stability. There are innovative workforce training programs out there, like Pursuit's job bond model, that offer technical and professional skills training without the upfront financial costs associated with traditional college programs. This is why we need the Good Jobs Guarantee Act so that we can invest in these proven alternatives, bring them to scale, and create economic opportunities for many more New Yorkers.

This legislation would create a regulatory framework designed to support innovative programs that connect low-income New Yorkers to good jobs. The program would only invest in

approved providers that offer skills training without charging participants any costs or tuition at the outset. Instead, successful participants would contribute a small percentage of their future salaries only if they are successful in obtaining employment as a result of the program. Thanks to the consumer protections included in this bill, participants would only be asked to make these payments once they have secured a good-paying job after the program's completion. Participants can therefore achieve upward mobility without shouldering significant financial risk. Through the creation of a state guarantor fund, the bill aims to attract approximately \$1 billion in private investments so that we can bring these programs to scale. This would create opportunities for an estimated 24,000 New Yorkers to advance their careers and provide for their families and communities.

By holding this hearing today, the New York City Council is shining light on the opportunity that the Good Jobs Guarantee Act presents to provide economic stability for thousands of New Yorkers. I'm proud to propose this groundbreaking proposal with Assemblymember Nily Rozic so that we can help more New Yorkers receive advanced training and have careers they and our communities need. Thank you again for your interest and support of this innovative legislation.

Sincerely,

Senate Deputy Leader Michael Gianaris

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REBNY Testimony | October 28, 2024

# The Real Estate Board of New York to

# The City Council Committee on Civil Service and Labor re: Community Hiring and Compensation Standards for City Assisted Housing Development Projects

The Real Estate Board of New York (REBNY) is the City's leading real estate trade association. Founded in 1896, REBNY represents commercial, residential, and institutional property owners, builders, managers, investors, brokers, salespeople and other organizations and individuals active in New York City real estate. We appreciate the opportunity to provide testimony on Intro 910, which would establish community hiring and compensation standards for City assisted housing development projects.

Intro 910, also known as the Construction Justice Act, imposes new wage and hiring standards on affordable housing projects. Specifically, under the proposal, housing development projects that create or preserve at least 100 units and that cost over \$3 million, and that receive discretionary loans, grants, or land conveyances at less than market value from the City would need to:

- Make a best faith effort to ensure that 30 percent of the hours worked are from a target population (community hiring); and
- Ensure that workers receive no less than \$40 per hour in combined wages and essential benefits, with exemptions for certified apprentices.

The legislation includes reporting, noticing, recordkeeping and enforcement provisions to ensure compliance with these standards.

REBNY has expressed support for local legislation that would establish an elevated minimum wage standard and local hiring requirements for City-supported construction projects. In a city where

https://assets.ctfassets.net/6zi14rd5umxw/4yBQXiuZSf7448ou0nifAH/1b225847cb7421644ae47e7ad2af1 5b7/REBNY CA 4.19.21.pdf

<sup>1</sup> 



too many residents struggle to make ends meet, these policies can be an effective way of strengthening the city's economy and helping hardworking residents.

Based on this belief, REBNY was proud to reach an agreement with the Mason Tenders District Council (MTDC) to establish an elevated minimum compensation standard for projects benefiting from what eventually became the 485-x program. Under the REBNY – MTDC agreement, all workers on these projects would be guaranteed a wage and benefit package beginning at \$35/hr, eventually rising to \$45/hr by 2033. Notably, this agreement applied to private-contract mixedincome residential development, not City-supported affordable housing, and called for a lower wage level than proposed in Intro 910.

The REBNY – MTDC agreement recognized that any wage standard must be calibrated so as to not inhibit the ability of a project to move forward. If a project becomes financially infeasible due to higher regulatory burdens those same workers will not have a job in the first place and the City will lose out on the affordable housing it urgently needs.

The \$40 per hour minimum wage and benefit standard proposed in Intro 910 will raise project costs and inhibit development of projects that operate with very tight margins. This standard will reduce the overall amount of affordable housing the City can support and limit the ability of the City to create more deeply affordable housing. For these reasons, the \$40 per hour threshold must be reduced.

In addition, the proposed compliance regime will pose significant challenges for many developers and contractors, particularly smaller firms and women and minority businesses. Many contractors who employ workers on City-supported affordable housing project are not familiar or equipped to comply with the prevailing wage style recordkeeping, noticing, and enforcement requirements included in the proposal. Given that the legislation imposes a minimum wage rather than a prevailing wage, it would be reasonable to find ways to reduce the significant compliance obligations in the legislation.

In addition, the bill could be improved through changes that make clear the role of the various agencies involved in enforcement to streamline implementation and ensure compliance measures are easy to understand and follow. These include:

<sup>&</sup>lt;sup>2</sup> https://therealdeal.com/new-york/2024/03/06/rebny-unions-chip-away-at-421a-deal/



- Clarifying the role of the Comptroller and the Department of Housing Preservation and Development (HPD) regarding community hiring plans and any enforcement related to those plans;
- Reducing the amount of project-specific wage data that is required to be reported to HPD;
   and
- Providing employers with greater ability to cure any deficiencies and prevent benefit revocation that can jeopardize project financing.

Lastly, overseeing and enforcing this legislation will require greater resources for HPD. We encourage the Council to better fund HPD so that it can meet any new obligations.

With the City already facing a severe housing shortage – particularly affordable housing – and the Mayor's moonshot goal of 500,000 new units, balancing the goals of the legislation with the need for more housing is critical. REBNY looks forward to continuing to work with the City Council, the Mayoral Administration, and all stakeholders on this important topic. Thank you for considering these views.

#### **CONTACTS:**

**Zach Steinberg** 

Senior Vice President of Policy Real Estate Board of New York <a href="mailto:zsteinberg@rebny.com">zsteinberg@rebny.com</a>



Testimony Before The New York City Council Committee On Civil Service And Labor Regarding The Establishment Of Community Hiring And Compensation Standards For City Assisted Housing Development Projects (Int 0910-2024).

October 31th, 2024

Thank you Chair De La Rosa and members of the City Council Committee on Civil Service and Labor for the opportunity to provide testimony to the regarding community hiring practices and fair compensation in city-assisted housing development.

#### About the Association for Neighborhood and Housing Development (ANHD)

ANHD is one of the City's leading policy, advocacy, technical assistance, and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and city-wide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We bridge the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. We believe housing justice is economic justice is racial justice.

#### Introduction

ANHD agrees with the spirit and intent of Intro. 910, particularly in valuing workers' rights and ensuring fair wages. However, we oppose the current version of the bill because we believe that the bill, as it stands, will hinder the production and preservation of affordable housing in New York City. Our key concerns focus on the potential reduction in affordable housing units, the adverse effects on non-profit developers, and the misapplication of enforcement requirements that resemble prevailing wage standards, making them impractical and unworkable in the affordable housing context. Overall this bill will result in a significant loss of affordable housing units and a reduction in affordability for the lowest-income New Yorkers.

#### Supporting Worker Protections Without Compromising Affordable Housing Development

**Shared Commitment:** ANHD is dedicated to ensuring fair wages and equitable treatment for workers. ANHD with many of our members are proud supporters of the #JUSTPAY campaign, which aims to fund a 9% Cost of Living Adjustment (COLA) over 3 years across all human services, increasing wages for essential workers. However, wage theft and worker protections extend beyond the affordable housing sector and require comprehensive solutions. The Department of Consumer and Worker Protection



(DCWP) is equipped to address these citywide labor issues. Adding specific requirements for affordable and supportive housing projects could unfairly burden these developments, as the challenges are not exclusive to them.

In response to council member's concerns raised at the hearing, we want to emphasize that ANHD is committed to combating wage theft and contractor misconduct. However, it is important to highlight that this bill will not give council members or other community stakeholders the ability to remove or prevent harmful actors from projects. Addressing these issues requires a systemwide approach, which may require more focused scrutiny of general contractors, subcontractors, and developers.

#### **Major Implications Regarding the Proposed Legislation:**

This bill carries significant implications: it allows large developers in New York City to continue their work without major disruption, while pushing mission-driven developers out of critical spaces. On behalf of community development corporations (CDCs), ANHD warns that, despite its intention to improve labor practices, the current form of this legislation will ultimately undermine our efforts to provide and maintain affordable housing. We oppose this bill because we cannot sustain its mandate without significant capital funding from HPD, a commitment that this and future city councils have not made. Without that support, the bill, in its current form, is unworkable in the context of affordable housing. Below, we outline what we believe to be the major implications of this legislation.

#### Decrease in Affordable Housing Production & Loss of Deeply Affordable Units

The proposed wage increase poses a significant threat to the already fragile landscape of affordable housing. With costs projected to surge by up to \$500 million annually, this change could jeopardize the construction of the affordable units urgently needed in our communities. As expenses escalate, hard costs are expected to rise by 20% or more, pushing development projects into a realm of prohibitive expense. Based on recent production levels, we anticipate a loss of between 1,000 and 2,500 units per year, with these losses compounding as production targets increase, further straining our housing supply.

The increased costs will also heighten the risks associated with leveraging Low-Income Housing Tax Credit (LIHTC) resources. As project expenses rise, the amount of LIHTC available per project diminishes. For instance, if a project is 50% funded by LIHTC and costs increase, the available credits decline, leading to greater reliance on city capital. This creates a scenario where the New York City Department of Housing Preservation and Development (HPD) must choose between a higher volume cap or a reduced percentage of capital. Consequently, the overall number of affordable units will dwindle, severely limiting access to housing for those at lower Area Median Income (AMI) levels.

This bill applies broadly to all New York City affordable housing projects receiving HPD subsidies, not solely to projects with only 20% affordable units alongside market-rate ones, such as 485-x or certain Mandatory Inclusionary Housing (MIH) developments that include mixed-market units.



Specifically, this bill impacts all projects receiving HPD subsidies, including 100% nonprofit projects, nonprofit supportive housing, domestic violence projects, community land trusts, project-based voucher projects, and affordable homeownership projects. During last week's City of Yes Zoning Housing Opportunity hearing, many council members expressed a desire for additional affordable housing units, deeper affordability, and more homeownership options from the City of New York. To be clear, this bill will hinder our ability to maintain our current production levels, let alone meet these additional requests. As a result, it will lead to a significant loss of affordable housing units and a reduction in affordability for the lowest-income New Yorkers.

#### Financial and Administrative Burdens on Non-Profit Developers

ANHD members, particularly Community Development Corporations (CDCs), manage properties with average rents around \$1,000, making them highly vulnerable to rising development costs in the current inflationary environment. Operating on razor-thin margins, these organizations cannot raise rents to offset increased expenses. The proposed wage increase is not just a \$40 increase in wages; it also brings additional hidden costs, such as the need to hire new staff for compliance with the bill's real-time reporting requirements for hours worked and wages paid. These significant administrative burdens further strain their limited resources, putting the operations of non-profit developers and the affordable housing they provide at serious risk.

Community-responsive housing types projects, which this council is interested in expanding, are often developed by non-profit developers. Our mission-driven ANHD members play a vital role in developing deeply affordable housing units, and our advocacy has greatly expanded the City's production of 50%, 40%, and even 30% AMI level units. However, this legislation threatens to undermine these efforts by cutting off essential support. Proponents of this version of the bill point to a handful of existing projects that have utilized some version of this bill's wage floor. Examples like Sendero Verde and Hunts Point—both affordable but developed by large for-profit entities—were discussed. It's important to clarify that different developers structure the financing of these projects differently and have access to outside resources and funding. Non-profit and community-owned projects are developed on razor-thin margins and do not have the same financial flexibility as projects developed by other actors.

#### **Subcontractor Reluctance and Increased Development Costs**

The enforcement of these wage requirements will likely exclude many Minority- and Women-Owned Business Enterprises (MWBEs) and small firms from participating as subcontractors on affordable housing projects. This exclusion not only reduces opportunities for these businesses but also severely limits diversity in the subcontractor pool, undermining efforts to create inclusive and equitable housing development. Additionally, smaller subcontractors may hesitate to engage in affordable housing projects due to heightened liabilities and reporting obligations, further narrowing the contractor pool and driving



up overall project costs. Ultimately, these dynamics make it increasingly challenging to maintain affordability in housing developments.

While we appreciate the local hire component of this bill, many of the reporting requirements may be difficult for our local subcontractors to meet. Most lack the resources to handle the increased backend costs associated with these obligations.

#### **Potential Long-Term Implications for Mixed-Use Developments**

Mixed-use developments—essential for creating vibrant community spaces—will encounter serious challenges under this legislation. Projects such as libraries, daycare centers, and community centers may be jeopardized, as nonprofits struggle to meet the mandated wage requirements. This inability to pay could result in the loss of vital community resources. Moreover, the added complexity of managing construction timelines for mixed-use developments will only burden non-profit developers further, complicating their efforts to provide these crucial spaces.

Furthermore, many nonprofits fund direct services to communities through affordable housing projects. This interdependence means that challenges in affordable housing development can and likely will ripple into critical areas provided by nonprofits like eviction prevention, food services, youth development, and senior center programs.

#### Closing

Thank you for considering our testimony today. ANHD remains committed to supporting both worker protections and the creation of affordable housing, but we believe the current form of Intro. 910 poses serious challenges. We urge the Council to adopt modifications that will protect non-profit developers, ensure the continued production of deeply affordable units, and prevent the exclusion of MWBE subcontractors. We look forward to working with the Council and other stakeholders to achieve a solution that balances the needs of workers with the pressing need for affordable housing in New York City.

Please contact Sonali Govind, Housing Development and Preservation Policy Associate (Sonali.G@anhd.org) with any follow-up questions.



#### **MEMO**

To: New York City Council – Committee on Civil Service and Labor

Hearing Date - October 28, 2024

From: Brian Sampson, President, Associated Builders and

Contractors Association, Empire State Chapter

Subject: Testimony Submission - Opposition to Intro 910: Community Hiring and

Compensation Standards for City-Assisted Housing Development Projects

Date: October 29, 2024

#### Introduction

Associated Builders and Contractors (ABC) Empire State Chapter is a leading voice for hundreds of merit-shop contractors across New York State, representing a wide range of construction industry professionals including general contractors, subcontractors, material suppliers, and industry-related service providers. Our membership includes firms both large and small that operate within diverse segments of the industry, employ thousands of workers, and our members contribute significantly to the economic growth and infrastructure development of New York City. ABC advocates for fair competition, workforce development, safety, and opportunity in the construction industry, emphasizing cost-effective and efficient project execution for all clients and stakeholders, including those involved in public sector projects.

ABC members employ a diverse and inclusive workforce within New York City's construction sector. According to recent data from the Construction Workforce Project, the non-union construction workforce in NYC is highly representative of the city's demographic diversity, with approximately 87% of workers identifying as minorities. ABC's member contractors include numerous minority- and women-owned business enterprises (MWBEs) and are committed to fair hiring practices that provide significant employment opportunities for underrepresented groups across all boroughs. This broad demographic is crucial in delivering inclusive and economically impactful construction projects citywide. ABC advocates for policies that support this diverse workforce, ensuring equitable access to city-backed projects without imposing restrictive regulations that could deter participation from smaller, non-union contractors. Please see the attached workforce data flyer.



#### **Summary of Intro 910**

Intro 910 proposes amending Title 26 of the New York City Administrative Code by establishing community hiring and compensation standards for housing development projects that receive city financial assistance. The law would require developers receiving city support to ensure that at least 30% of construction hours on housing projects are worked by residents of specified low-income communities (defined as residents of ZIP codes with a poverty rate of at least 15% or residents of New York City Housing Authority developments). In addition, the bill mandates minimum wage and benefit thresholds for construction workers on these projects, setting a combined hourly rate of at least \$40 in wages and essential benefits, with no less than \$25 per hour allocated to wages alone.

The legislation further mandates extensive reporting, record-keeping, and accountability measures for developers, as well as stringent penalties for non-compliance. The bill, known as the "Construction Justice Act," would apply to all city-assisted projects meeting certain criteria, including those involving public funding of \$1 million or more, construction costs exceeding \$3 million, and housing projects creating or preserving at least 100 units.

#### **Opposition to Intro 910**

Associated Builders and Contractors (ABC) Empire State Chapter opposes Intro 910 for the following reasons, which align closely with the concerns raised by the Real Estate Board of New York (REBNY) and the Department of Housing Preservation and Development (HPD). Our opposition centers on the adverse economic impact this bill would have on the New York City construction industry, housing production, and workforce diversity, particularly among merit shop and minority workers.

- 1. Economic Impact on Housing Production: According to HPD, implementing the wage and benefit requirements specified in Intro 910 could result in an increase of over \$500 million in costs to maintain the current level of housing production. This significant financial burden will force developers to make "difficult trade-offs," such as scaling back on unit production or reducing the number of affordable housing units, especially those catering to the lowest-income residents. HPD projects a decrease of 1,000 to 2,500 housing units annually, which is in direct opposition to the city's critical goal of increasing affordable housing availability. In essence, this bill risks stalling the very housing projects it aims to support.
- 2. **Barriers for Small, Minority-Owned, and Non-Profit Developers**: The mandated wage and benefit standards create an economic hurdle that disproportionately affects smaller developers, including non-profits and minority- and women-owned business enterprises (MWBEs). Many of these



entities, which often play a pivotal role in community-driven housing projects, may find city-subsidized projects financially unfeasible under the new regulations. By reducing the pool of eligible developers, Intro 910 inadvertently restricts competition and diminishes opportunities for diverse contractors and developers to participate in city-funded projects, undermining the city's broader commitment to equity and inclusion.

- 3. Administrative Burdens and Potential for Discrimination Claims: The requirement that contractors ensure that 30% of hours worked on projects be by residents from specified low-income zip codes or NYCHA developments introduces significant administrative burdens. Employers lack clear guidance on which zip codes qualify as "poverty level" and would need access to an official map or database to ensure compliance. Additionally, asking employees about their residency in NYCHA developments or their neighborhood could expose employers to potential accusations of discrimination, similar to inquiries about prior wages or incarceration status. This ambiguity and the associated risk of discrimination claims add undue complexity and liability for employers.
- 4. **Reduced Flexibility for Developers**: The provisions in Intro 910, including the strict reporting and wage structure requirements, add layers of administrative and financial burden that could deter developers from participating in city-assisted projects altogether. As REBNY and HPD have noted, the bill's approach may ultimately dissuade potential partners from engaging in public-private housing initiatives, limiting the city's options for creating partnerships that can expedite housing production. This loss of flexibility undermines the goals of streamlining and accelerating housing project completions across New York City.
- 5. Negative Impact on the Non-Union Workforce: ABC Empire State Chapter also opposes the wage standards as they effectively favor unionized labor, creating an inequitable playing field that marginalizes non-unionized, merit-shop contractors. This bias against non-union workers limits employment opportunities for the city's substantial non-union construction workforce, which includes many minority and immigrant workers who rely on these jobs for their livelihoods. By imposing a wage floor tied to union standards, the legislation unfairly penalizes non-union contractors and restricts access to city-supported projects for this essential segment of the workforce.

#### Conclusion

While Associated Builders and Contractors (ABC) Empire State Chapter recognizes the importance of fair wages and community hiring initiatives, we firmly believe that Intro 910 will yield unintended negative consequences for the city's housing market, workforce diversity, and economic competitiveness. We urge



the City Council to reconsider the provisions of Intro 910 and seek alternative approaches that do not unduly burden housing developers or limit opportunities for non-union and minority-owned businesses. We recommend adjustments to the bill that would support wage and benefit growth while maintaining financial feasibility for affordable housing development across New York City.

Respectfully submitted, Brian Sampson, President sampson@abcnys.org

Associated Builders and Contractors Empire State Chapter 6369 Collamer Drive, East Syracuse, NY 13057

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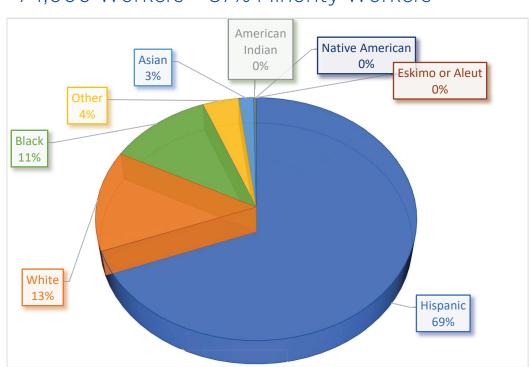


### **ETHNICITY**

74,000 Workers = 87% Minority Workers

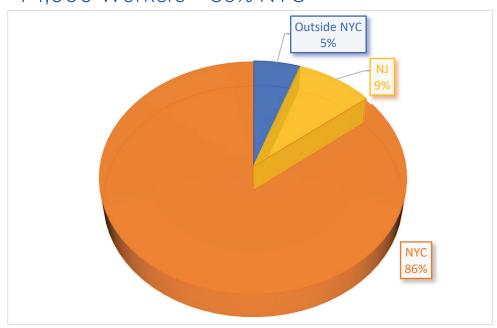
# February 2022:

82 Private Major Projects in NYC / 5 Boroughs



### **WORKFORCE**

74,000 Workers = 86% NYC



Zip Codes			
10801	11212	11201	10018
07102	10468	10075	11101
10467	10029	10002	11102
10473	11207	11222	10001
10038	11208	10036	10009
07102	10457	10025	10016
10009	07017	10018	11217
11691	10027	10003	10027
10466	10029	10018	11201
10538	10029	10024	07094
10451	10002	10036	11354
11224	10457	11211	11201
07107	10473	10011	10002
11212	10538	11201	11201



Hello,

Thank you for the opportunity to testify in support of this legislation. To start, I want to paint a picture for you regarding what it's like for someone coming home from prison.

Thousands of people leave prison and jail every year and return to the city. Maybe some were fortunate enough to have been part of vocational programs, most people don't have access to those while they're incarcerated. Regardless, you're going to leave DOCCS with \$200 and a bus ticket and have to figure things out from there. Immediately need to figure out ID, any other docs you need for employment before you can even start looking for a job. You work hard to get connected to services that can support you, and hopefully this happens in the first few weeks, but sometimes it takes months. One of your biggest concerns is how you're going to make a living, just to survive in those first few weeks. You need income, and you need to find opportunities that will provide that. To top it all off, you're often dealing with parole restrictions and requirements that make it hard for you to have enough time to figure all of this out.

Meeting these basic needs is one of the things that CEO focuses on first and foremost. We connect people returning from incarceration to immediate transitional employment and paid training opportunities that allow people to get some immediate income that helps them stabilize before they start looking for permanent employment.

We prepare thousands of people every year for a career and construction work is one of the opportunities that offers the most promise to people. But the biggest barrier to people entering the industry is the lack of quality jobs available to them. We know how critical construction jobs are for justice impacted people. CEO has been partnering with the Laborers union to get people into apprenticeships and we see how life changing these jobs are for them, but there are not enough of these jobs. We need to see more construction jobs in this city with a \$40 floor for wages and benefits and this bill will ensure that happens. We need to see justice impacted people directly benefit from these jobs and there needs to be explicit language in this bill that makes sure that happens.

Ken Edwards, Manager of Leadership & Organizing Center for Employment Opportunities



# TESTIMONY TO NYC CITY COUNCIL COMMITTEE ON CIVIL SERVICE AND LABOR ON INTRO 910 HOWARD SLATKIN, EXECUTIVE DIRECTOR OCTOBER 28, 2024

My name is Howard Slatkin, and I am Executive Director of Citizens Housing and Planning Council, an 87-year-old policy research organization. Thank you for the opportunity to present testimony today.

In pursuit of the goal of making New York City a more affordable place for working people, there is no doubt that helping workers boost their household earnings is part of the solution. But poorly coordinated interventions can undermine this broader goal.

This bill presents a strong cognitive dissonance. Last week, members of this body and hundreds of speakers were (rightfully!) testifying until midnight about how we need to increase the amount of affordable housing we build, reach households at lower incomes, and make affordable housing more competitive with market-rate development. Today, a different committee, with less fanfare and before a smaller audience, is entertaining legislation that would thwart those same objectives.

The City Council, through its Land Use Committee, is currently reviewing the City of Yes for Housing Opportunity proposal, which aims to dramatically increase the city's capacity to build more housing, particularly affordable multifamily housing. A key element of that proposal is allowing apartment buildings that provide affordable housing to be larger than ones that do not. The idea is to make affordable housing more competitive vis-a-vis market-rate development, and therefore more likely to happen.

Chairman Richard Roberts President Mark Ginsberg Vice President Samantha Magistro Treasurer Matthew Petrula Secretary Joseph Lynch **Executive Director** Howard Slatkin **Executive Committee** Hercules Argyriou Robert Ezrapour Paul Freitag Kirk Goodrich Aileen Gribbin Marvin Markus Amelia Rideau Matthew Rooney Jessica Sherman Richard C. Singer William Stein **Board Members** Sandra Acosta Richard Barth Simon Bacchus Stuart Beckerman Carmi Bee Patrick Blanchfield Anthony Borelli Thomas Brown Thomas Campbell Louise Carroll Rafael Cestero Emily Chen Andrew Cohen **James Colgate** Jill Crawford James S. Davidson Monica Dean Beatriz De la Torre Douglas D. Durst Neil Falcone David Fleming Deborah Gans Richard Gerwitz James Gillespie Sally Gilliland

Elliott M. Glass

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Nicholas Lettire Jeremy Levkoff Richard Lobel

Michael Lohr Brian Loughlin Kenneth Lowenstein

Deborah Clark Lamm Phil Lavoie Robert O. Lehrman

Moshe McKie-Krisberg Ron Moelis Niall Murray Perry Notias Michael Nyamekye

Anthony Richardson James Riso Joseph B. Rose

Carol Rosenthal David Rowe Matthew Schatz

David Schwartz Avery Seavey

Nadir Settles Wendi Shafran Ethel Sheffer

Jane Silverman Brian Smalley Mark E. Strauss

David Walsh Adam Weinstein Alan H. Wiener Mark A. Willis

Emily Youssouf Emeritus Peter Salins This proposed legislation, Intro 910, would tilt the playing field back toward market-rate construction and away from our affordability goals. By making it more costly to build publicly subsidized affordable housing than privately financed market-rate housing, it would make market-rate construction more likely and reduce what the City can accomplish with the housing subsidies it makes available. In addition, the compliance burdens of the proposed regulations would create additional challenges for MWBEs and smaller builders.

Whether developed by a nonprofit or a for-profit entity, affordable housing is financed through the parsimonious use of finite public resources, including Low Income Housing Tax Credits and City capital. If the cost of construction increases, either the City must commit more of these resources to an individual project for it to happen, or the rents and income levels served in the project must increase to offset the costs. The result is less affordable housing, or housing that is less affordable.

This past year, when the State legislature authorized a new tax incentive for mixed-income housing, it exempted from wage requirements developments whose location suggested that there would not be sufficient market revenue to support increased construction costs. The legislation proposed today would impose those costs on buildings with no market revenue at all. Public subsidies for affordable housing would need to be redirected to cover these increased costs, and away from reducing the rent paid by low-income residents.

We urge the Council to reconsider an approach that would compromise the City's ability to address what we see as our most pressing issue – our housing affordability crisis.



# Testimony in Support of the Construction Justice Act (Intro. 910) October 23, 2024

Churches United for Fair Housing (CUFFH) is proud to stand in support of the Construction Justice Act. This legislation reflects our core values of dignity, fairness, and justice for all workers, particularly those who build the affordable housing that is the foundation of strong, thriving communities.

The construction workers who build affordable housing are not just laborers we see on the job site—they are our family members, neighbors, and even members of our faith communities. In congregations across the city, we hear their stories of resilience and hardship. These workers sit in our pews, raise their families in our neighborhoods, and yet, they often face exploitation by bad actors in the affordable housing industry. Too many of these workers are left vulnerable to unsafe conditions, low wages, and unstable employment, and it is our moral obligation to act.

As a faith-based organization, we believe deeply in the principle that every person deserves to be treated with respect and fairness, especially in their place of work. The Construction Justice Act is a vital step in ensuring that our city's commitment to affordable housing includes a commitment to the dignity and well-being of the workers who make that housing possible. Our tax dollars should be used to uplift workers, not deepen their struggles.

We continue to hear from our communities about the routine exploitation of construction workers—many of whom are immigrants or people of color—who are often rendered invisible in the affordable housing sector. These are the same workers who, despite their essential contributions, often live paycheck to paycheck and struggle to provide for their families. This is why the Construction Justice Act is so critical. It ensures that every dollar of city subsidy invested in affordable housing returns to our neighborhoods through local hires and fair wages that can help build generational wealth for working families.

Low wages are one of the greatest contributors to the housing crisis we face today. As the cost of living in New York City continues to skyrocket—from groceries and health insurance to housing—too many workers have seen their wages stagnate. The Construction Justice Act is precisely the kind of legislation that working New Yorkers need right now if we are to address systemic poverty. Studies show that higher wages and protections for workers not only allow them to support their families but also contribute to the broader economic development of our communities. This especially benefits women, justice-affected individuals, and workers of color, lifting up those most often left behind.

We also know the role that immigrant workers play in building the affordable housing that our city so desperately needs. Yet, these workers are too often excluded from the protections and wages they deserve. The Construction Justice Act ensures that the jobs brought into our communities are good jobs, and that the people building our future are uplifted, not exploited.

CUFFH commends the Committee on Civil Service and Labor for bringing forward this important bill. We urge the swift passage of the Construction Justice Act (Intro. 910) so that we can begin to build a city that values both the homes we live in and the workers who build them.

Thank you for your time and for your continued commitment to the well-being of New Yorkers.

#### **Contact Information:**

Whitney Hu, Director of Civic Engagement and Research, whu@cuffh.org



#### MANHATTAN

**QUEENS** 

1010 Avenue of the Americas, Suite 301, New York, NY 10018 tel: 212.674.2300 fax: 212.254.5953 vp: 646.350.2681

80-02 Kew Gardens Road, Suite 400, Kew Gardens, NY 11415 tel: 646.442.1520 fax: 357.561.4883

www.cidny.org

#### **Testimony in Opposition of Res. 0522-2024**

October 30, 2024

To the Committee on Civil Service and Labor:

My name is Molly Senack, and I am testifying today on behalf of the Center for Independence of the Disabled, New York (CIDNY) as its Education and Employment Community Organizer. This testimony is supported by Sharon McLennon Wier, Ph.D., MSEd., CRC, LMHC, Executive Director of CIDNY.

In 2022, only 34.8% of disabled people between the ages of 16-64 were employed in the United States. In New York State, that number was even lower: only 26.1% of people between the ages of 16 and 64 with a disability were employed.

The Good Jobs Guarantee Program, which is intended to provide training to low-income workers to help them secure higher paying jobs, is, in theory, the type of program that CIDNY readily supports. However, we are wary of a program that places the cost of expanding and developing the workforce back on the employee. The program's language specifies that individuals "will only incur payment obligations if the program actually succeeds in securing them employment at high, family-sustaining wages." However, it also defines this type of employment as any job paying over \$50,000, with no cost-of-living adjustment for individuals living in places like NYC, where according to a NYC Comptroller report, the 2023 median rent for a 1-bedroom apartment was \$40,200 a year. There is also no requirement that the same \$50,000 salary that officially makes them eligible to incur costs also includes benefits like health insurance or paid time off.

When considering taking a higher-paying position, many people with disabilities also have to take into account that many government assistance programs (like Supplemental Security Income [SSI], which often provides more comprehensive health coverage than private insurance) have income caps. For people with disabilities who rely on these programs, potentially sacrificing them in the pursuit of a career is an extremely weighty decision.

The barriers people with disabilities face in obtaining and retaining employment are often determinants in why people with disabilities are more than twice as likely to live in poverty in New York State than those without disability. However, they are not the only factors. People with disabilities are twice as likely (at least nationally) to have to work part-time, meaning they are often excluded from medical benefits or being able to take time off without losing wages, despite often having more healthcare needs. The way benefits are awarded can prevent people with disabilities from being able to save money, and sometimes from even earning an income at all. Yet the wording of this bill allows for a participant who has obtained a salaried position that does not necessarily cover the cost of their healthcare, keep up with the current cost of living, or guarantee their continued ability to receive benefits from government assistance programs,

to incur additional fees in the process. This could either deter individuals from participating in the program in the first place, or could potentially leave individuals in a worse financial position than they were in prior to their participation.

The idea behind this legislation is not only good, it is critical: there should be more efforts made to help secure low-income workers higher paying jobs. However, the way this legislation is currently written is inadvertently exclusionary to the very population it seeks to empower, and particularly to those with disabilities.

We ask that the City Council withhold its support of this bill until this language is changed to more accurately reflect the current economic landscape for people with disabilities, or until it is determined an employee is under no obligation to pay for this program even after obtaining employment.

We thank you for your time and consideration.

Sincerely,

Molly Senack (She/Her)
Education and Employment Community Organizer
Center for Independence of the Disabled, New York
Email: msenack@cidny.org Phone:



#### New York City Council Committee on Civil Service and Labor Public Comment on Int. 0910-2024 October 28, 2024

Thank you, Chair De La Rosa and members of the committee, for the opportunity to provide testimony on behalf of the Community Preservation Corporation (CPC) in response to Int 0910-2024, a local law to amend the administrative code of the city of New York, in relation to the establishment of community hiring and compensation standards for city assisted housing development projects.

On behalf of CPC, we applaud Councilmember de la Rosa for her vision and advocacy to ensure New Yorkers are paid fair wages. However, as a community development finance institution with fifty years of experience funding the construction of housing in New York City, CPC knows what limited wiggle room there is in a typical construction budget. Especially on projects that receive city or state subsidy and therefore will provide units at set affordability levels. The margins between a project being financially viable and infeasible can be razor thin. It is because of this experience that we are concerned about the impact that Intro 910 could have on construction in New York City. While we applaud the Councilmember's effort to ensure economic stability for the people who help build our city, we are deeply concerned that requiring housing projects that receive city financial assistance to pay their workers a base of \$40/hour and ensure procurement from certain zip codes could have the unintended consequence of stifling construction at a time when New York City desperately needs more housing. We have regularly provided testimony to the Council over the last few years about the growing housing crisis, and the current 1.4% vacancy rate.

All New Yorkers deserve decent wages, but it is also critical to assess the benefits of a wage floor against the impacts it could have on construction at a time when New York City is facing its worst housing crisis in decades. Requiring higher wages for all construction jobs would immediately raise the total development costs of construction. As a result of increasing project costs, projects would require more upfront funding to maintain financial feasibility. That funding could come in the form of either debt or equity, or public subsidy. If debt or equity, it will make the barrier to entry for new smaller developers with limited capital even higher. If public subsidy, these already oversubscribed pots of funding will have to provide larger allocations to make each project feasible, narrowing the reach and effectiveness of public subsidy. Fewer projects will receive public subsidy, therefore fewer affordable housing units will be created or preserved annually. Without a significant increase in public subsidy funding, projects that are able to proceed are likely to skew towards the higher end of the market and charge higher rents to recoup costs.



Furthermore, this legislation would add undue burdens related to reporting and compliance. Contractor costs to comply with a host of recently added city regulations ranging from tenant protection, asbestos, lead, energy, etc. have already added significantly to the cost of construction in NYC. This legislation would place immense administrative burdens and costs of compliance on general contractors who would be responsible for implementing, tracking, and reporting these details to the Comptroller, costing time and money. The compliance and verification requirements proposed in this legislation adds to an already overflowing plate for many developers and contractors, some of whom may decide that it is just not worth it to work in New York City as it becomes more challenging than other jurisdictions. Again, in the midst of the housing crisis this would be the opposite of what New York City needs.

Our comments are driven by our experience. We solicited feedback on Intro 910-2024 from CPC's network of New York City-based general contractors and developers with whom we frequently work. We have included anonymized excerpts of their comments below:

An increase in minimum wages and adding even more requirements on already expensive construction will raise costs across the board and will have two downstream effects: 1 - decrease new construction because anything but luxury projects won't underwrite, and 2 - raise rents as a result both from the increased costs but also from the inevitable decreased supply.

#### Large general contractor

This will impact the job market because once wages go up the companies will start laying off and not hiring new employees. The cost of living in NYC keeps getting more expensive and people deserve the wages but at the same time this will cause a strain to businesses. Businesses will start reducing labor force or shutting down completely.

#### - MWBE-owned general contractor

The people that the City are championing the most, which are MWBE and Local Contractors, will be hurt the most. The ability to meet new GC's, break into new projects, take smaller jobs in order to grow and the ability to meet payroll (not to mention their sky high insurance and other overhead costs) will be completely inhibited. This is not the right approach to solving an affordable housing shortage and crisis.

#### Large general contractor

I view this wage floor bill as yet another piece of legislation that at best, aims to "solve" a problem where none exists, and one that will raise the costs of providing or rehabilitating affordable housing throughout the state.

- Affordable housing developer and general contractor entity



There are many small construction companies that have the knowledge to do the work but don't have the financial capacity...I have met so many small business owners that don't have enough people in the office to just help complete all the paperwork required just to receive the help.

- MWBE-owned general contractor

This bill it is going to increase the cost of construction, also...and it may prove difficult to find workers within those zip codes that are qualified and experienced to do the work that needs to be done; it would also be an additional burden to fulfill the reporting requirement.

- Small MWBE-owned general contractor

This bill will have a huge impact on small businesses. As we all know, the cost for insurance ties into the wage cost for each employee. Insurance is very expensive and insurance costs keep going up. I already pay more than \$25 an hour. There are only two people making less than \$25 and they are just interns. If you pay them less, you will lose the employee to larger companies that can afford to pay them higher salaries.

- MWBE-owned general contractor

Any good contractor hires based on skill and availability not by zip code...the city hiring portal has been a helpful tool for sourcing trades labor, but good workers are still tough to come by; further limiting that pool by zip code would hurt. The floor of \$40 per hour, while noble, is similarly problematic. The costs of construction have already increased so dramatically, both as a result of market forces as well as regulatory and building code requirements. Increasing the cost of labor uniformly would result in approximately a 25-30% increase in our labor costs and a roughly 15-18% increase in our costs. The only way to recoup these costs would be to raise rents (politically impossible although something which should be considered) or raise the subsidy (at a cost to taxpayers). Lawmakers need to focus on measures that will increase the supply of affordable housing and improve the quality of affordable housing. The only way to do this is to incentivize the providers of affordable housing - not penalize them at every turn.

- Affordable housing developer and general contractor entity

Given the potential for negative consequences stemming from the proposed legislation, we recommend the Council do not advance Int 910-2024 and instead work alongside developer and general contractor advocates to redraft legislation that will advance the cause of worker equity without stymying the production of much needed affordable housing.

Thank you for the opportunity to provide testimony today, and please reach out to Erin Burns-Maine, SVP External Affairs (<a href="mailto:eburnsmaine@communityp.com">eburnsmaine@communityp.com</a>) or Emily Klein, AVP Policy and Government Affairs (<a href="mailto:eklein@communityp.com">eklein@communityp.com</a>) with any questions.



#### **About CPC**

The Community Preservation Corporation (CPC) is a nonprofit affordable housing and community revitalization company that was formed in the early 1970s to help New York City and State restore and rebuild communities which were devastated by deterioration and abandonment. Today, CPC uses its unique expertise in housing finance and public policy to expand access to quality housing, drive down the costs of affordable housing production, advance diversity and equity within the affordable housing development industry, and address the effects of climate change in our communities through the financing of sustainable housing. Since our founding, CPC has invested over \$14 billion to finance the creation and preservation of more than 225,000 units of housing through our lending and investing platforms. CPC is a permanent lending partner to the New York City Retirement Systems (NYCRS) and we are also an equity partner in the PACT Renaissance Collaborative, the team selected by NYCHA to renovate and preserve 16 NYCHA properties located in Manhattan. On behalf of New York State HCR, CPC is also administering the Climate Friendly Homes Program, a \$250 million program to electrify 10,000 units of housing across the state in the next four years.

Most recently, CPC again answered the call to support our government partners in reinvesting in communities following the collapse of Signature Bank. Alongside partners Neighborhood Restore HDFC and Related Fund Management, CPC is leading Community Stabilization Partners (CSP), the manager of a joint venture partnership with the FDIC to manage the rent stabilized portion of now defunct Signature Bank's multifamily commercial real estate portfolio. CPC on behalf of CSP is now the servicer of record for 1,100 buildings encompassing approximately 35,000 units in New York City, the majority of which are rent stabilized. We understand the unique role that rent regulated housing plays in New York City, the distinct financial challenges facing its owners and operators in today's market, and its importance as a haven of affordability to its tenants. As a partner with the FDIC and servicer of the stabilized loan portfolio, CSP and CPC are proud to be preserving the long-term affordability as well as the physical quality and financial stability of these buildings.

The Community Preservation Corporation 220 East 42<sup>nd</sup> Street, 16<sup>th</sup> Floor New York NY 10017

www.communityp.com



#### **Testimony of Enterprise Community Partners**

#### New York City Council Committee on Civil Service and Labor

# Int. 910 – Establishment of Community Hiring and Compensation Standards for City Assisted Housing Development Projects

#### October 28, 2024

My name is Patrick Boyle and I am a Senior Director for Enterprise Community Partners. Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since our New York office opened in 1987, we have committed more than \$5.3 billion in equity, loans and grants to create or preserve over 84,000 affordable homes across New York.

On behalf of Enterprise, I would like to thank Chair De La Rosa and the members of the New York City Council Committee on Civil Service and Labor for the opportunity to submit the following testimony on Int. 910.

We appreciate the aims of Int. 910. Like other industries, workers on or at affordable housing projects, at all levels, should be adequately compensated and not subject to wage theft. This goes not only for construction workers, but also for human services workers and other staff who are involved in the projects on an ongoing basis, which is why Enterprise has long supported the #JustPay campaign.

The #JustPay campaign calls for additional resources from government to more robustly fund human and social services contracts. This ensures that higher wages for these essential workers do not become an unfunded mandate that subsidized affordable and supportive housing budgets cannot afford.

Absent ongoing and significant dedicated increases in capital resources, the wage floor established by Int. 910 would substantial increase the construction costs for affordable and supportive housing projects which would further strain the limited subsidy used by the city to make these projects financially feasible. In an environment of higher interest rates, inflation, supply chain challenges, a constricted private lender pool, and skyrocketing insurance costs, significant increases in costs and compliance requirements also increases risks making many affordable and supportive housing projects altogether infeasible. Overall, the bill will have the effect of restricting the city's desperately needed pipeline of affordable housing.

In addition, the compliance requirements outlined in the legislation would appear to be very challenging to comply with for developers including the nonprofit, M/WBE and emerging developers that Enterprise has historically supported though our capital offerings and technical



assistance programs. Organizations with limited financial resources or back office sophistication are less equipped than larger, more resourced housing operators to successfully comply with onerous requirements.

We applaud the Council for considering Int. 910. We look forward to further conversations with the Council on ways to address its goals without negatively impacting affordable housing production or inadvertently disadvantaging mission-driven housing operators.



# New York City Council Committee on Civil Service and Labor Oversight - Pathways into New York City's Civil Service October 28th, 2024

Testimony of Carina Kaufman-Gutierrez Deputy Director, Street Vendor Project at the Urban Justice Center

Good afternoon Chair De La Rosa and Committee members. My name is Carina Kaufman-Gutierrez. I am the Deputy Director of the Street Vendor Project, a membership-based organization of over 3,000 street vendor members. Thank you for the opportunity to testify today. As the primary organization that exclusively serves street vendors in New York City we have been providing critical small business and legal services to vendors since 2001.

Street vendors and construction workers have long had a partnership - outside of every construction site vendors ensure workers have access to an affordable, healthy meal - and it's thanks to union organizing that workers even have access to that break to enjoy their vendor meal in the first place. We are proud to support the Construction Justice Act as part of the Construction Justice NYC Coalition, a grassroots coalition of labor unions, community-based organizations and worker advocates committed to ending the exploitation and unjust treatment of New Yorkers employed in the construction industry.

Our members continue to hear from our community about the routine exploitation of construction workers by bad actors in the affordable housing industry, which is why we are adding our voices to the demand that our tax dollars be used to uplift workers, not further their struggles. The construction workers who build affordable housing are our family members, neighbors and customers and we see first hand the exploitation they face. We know that low wages are one of the biggest contributors to the housing crisis.

The Construction Justice Act ensures that every dollar of city subsidy returns to our neighborhoods through local hire and good wages that can build generational wealth for working families. It raises worker wages by setting a just wage on subsidized housing. Construction Justice is the type of legislation working New Yorkers need right now to fight systemic poverty. We commend the Committee on Civil Service and Labor for bringing forward this bill and urge the swift passage of Construction Justice Act Intro. 910. Thank you again for the opportunity to testify.



October 28, 2024

Esteemed members of the Council,

Thank you for the opportunity to speak. I am Bishop Mitchell Taylor, co-founder and CEO of Urban Upbound, an organization focused on breaking cycles of poverty in public housing neighborhoods. I'm here to express our strong support for the Construction Justice Act, Intro. 910.

For too long, the people building affordable housing in low-income black and brown communities haven't earned enough to live in these very developments. If passed, the Construction Justice Act's proposed \$40 per hour compensation package would change that. The bill sets a moral wage standard and ensures that these good jobs go to the communities that need them most—low-income New Yorkers, NYCHA residents, and historically disadvantaged groups.

In places like Queensbridge, where I grew up, increased compensation can transform lives and construction careers can empower residents to break cycles of poverty. It also provides a chance for formerly incarcerated individuals, immigrants, and others from disadvantaged backgrounds to access health insurance and provide for their families.

When the City spends tax dollars on affordable housing, those dollars must come back to our communities. The Construction Justice Act would ensure that happens. This legislation also incentivises developers and contractors to invest in their workforce, creating a level playing field that improves productivity and efficiency while maintaining high standards.

We can't afford to wait. By passing this bill, the Council would strengthen the fight against the housing crisis with real solutions—strong wages and community hiring standards. Urban Upbound is proud to support the Construction Justice Act, and we urge the Council to take action.

Thank you,

Bishop Mitchell Taylor CEO & Co-Founder Urban Upbound

## Testimony of Yesenia Mata, Executive Director of La Colmena Committee on Civil Service and Labor

October 28, 2024

Good afternoon, chair woman and council members. My name is Yesenia Mata, and I am the Executive Director of La Colmena, an immigrant rights organization based on Staten Island. At La Colmena, we work to empower immigrant workers through education, culture, organizing, and economic development. Through this work, we witness firsthand how immigrant workers are often vulnerable to discrimination, wage theft, and abuse. Today, we are here to support the Construction Justice Act—a critical step in shining a light on the risks that construction workers take in building affordable housing or in city projects. It is vital that these workers receive fair pay and recognition for their contributions, a principle we emphasize regularly in our meetings at La Colmena with our members by reinforcing the inherent value of their work. Immigrant workers are often overlooked in these city projects, with many brought on as independent contractors through their EIN numbers. They are a fundamental part in building New York City through city projects such as affordable housing. This moment is about affirming that all workers, regardless of immigration status, deserve fair wages and protections. Today, as immigrant rights organizations and labor advocates unite, we send a powerful message: no worker should be left behind. I thank you for your time and support in standing with us for justice and equity.



## **Laundry Workers Center**

42 Broadway, Suite 12-114 New York, NY, 10004 Tel: 866-761-3207 www.lwcu.org



Monday, October 28, 2024

Committee on Civil Service and Labor

Att: The Construction Justice Act

Dear Members of the Committee on Civil Service and Labor,

I am writing on behalf of the Laundry Workers Center to express our strong support for the Construction Justice Act, a vital piece of legislation aimed at safeguarding the rights and livelihoods of construction workers in New York. Our organization represents low-wage workers across New York and New Jersey states, and we see firsthand the exploitation faced by those who build our affordable housing—our family members and neighbors.

The Construction Justice Act is necessary to ensure that every dollar of city subsidy is reinvested into our communities through local hires and fair wages. This legislation has the potential to build generational wealth for working families, a significant factor in combating systemic poverty. In an era where the cost of living continues to soar, with rising grocery, health insurance, and housing costs, wages have stagnated for too many.

Research consistently shows that higher wages spur economic development within communities, equipping workers with the means to support their families. This bill would significantly benefit women, justice-affected individuals, workers of color, and immigrant workers by elevating wage floors and enhancing job security. Immigrant workers, who are often overlooked yet essential to building affordable housing, will receive the recognition and fair employment opportunities they deserve.

We commend the Committee for its foresight in introducing this bill and urge you to strongly consider and vote in favor of the Construction Justice Act. Its passage will address the immediate needs of exploited workers and contribute to a more equitable and just economy.

Thank you for your commitment to the rights and welfare of all workers. We are hopeful and optimistic about the positive changes the Construction Justice Act will bring to our communities.

Sincerely, Rosanna Rodriguez & Mahoma López Co-Executive Directors Laundry Workers Center



## Mason Tenders District Council

OF GREATER NEW YORK & LONG ISLAND

David Bolger
USINESS MANAGER
bolger@masontenders.org

General Building Laborers Local 66

Asbestos, Lead & Hazardous Waste Laborers Local 78

Construction & General Building Laborers Local 79

Waste Material, Recycling & General Industrial Laborers Local 108

Lay Faculty Association Local 1261

Laborers' International Union of North America, AFL-CIO

Affiliated with:

Building & Construction Trades Council of Greater New York

New York City Central Labor Council

Building & Construction Trades Council of Nassau & Suffolk Counties

New York State AFL-CIO

Testimony in Support of the Construction Justice Act
Dave Bolger, Business Manager of the Mason Tenders' District Council of New
York

October 28, 2024

Good afternoon. My name is Dave Bolger. I'm the Business Manager of the Mason Tenders' District Council, a council of labor unions representing construction laborers throughout New York City. I'm here to testify in support of the Construction Justice Act, also known as the CJA.

I want to start by thanking New York City Council Member Carmen De La Rosa for introducing the CJA and championing this legislation among her colleagues in the New York City Council.

At the Mason Tenders District Council, we believe in raising wages and improving job quality for all construction workers, not just our members. The CJA is long overdue. It will create a much-needed \$40 per hour wage and benefit package that strengthens and empowers New York's affordable housing construction workforce as a whole. Too many workers building affordable housing in our city today barely earn above \$15 per hour, and often receive no benefits.

That's wrong and must change. The CJA will transform the lives of thousands of construction workers who are paid poverty wages and exploited, especially those who are formerly incarcerated individuals, immigrants, and day laborers. Indeed, this legislation will enable construction workers who are part of the working poor to become part of the middle class.

Across the five boroughs, New Yorkers who build affordable housing perform dangerous jobs under brutal conditions and often end up with long-term health problems. All of these workers should earn a wage and benefit package of at least \$40 per hour for their vital work, and they should be able to live in the neighborhoods where they build affordable housing.

Earlier this year, we were proud to play a lead role in negotiating Affordable Neighborhoods for New Yorkers, also called 485-x, a New York state affordable housing tax abatement that includes a \$40 per hour minimum wage package for all construction workers. City government should take the same action now and enact the CJA to create a \$40 per hour minimum wage package for all construction workers who build city-subsidized affordable housing.



Between the city and the state, there should be consistency on the \$40 minimum wage package for affordable housing construction workers. All construction workers building affordable housing in New York City, whether the housing is subsidized by the city or the state, should be earning this \$40 per hour minimum wage package. The CJA will help make that a reality and complement recent state action that created a \$40 per hour minimum wage package for 485-x.

It's time to end the unjust status quo in affordable housing construction.

It's time for the New York City Council to pass the Construction Justice Act.

Thank you.

# Testimony in Support of the Construction Justice Act Dave Bolger, Business Manager of the Mason Tenders' District Council of New York October 28, 2024

Good afternoon. My name is Dave Bolger. I'm the Business Manager of the Mason Tenders' District Council, a council of labor unions representing construction laborers throughout New York City. I'm here to testify in support of the Construction Justice Act, also known as the CJA.

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The CJA will transform the lives of construction laborers who are paid poverty wages, especially those who are formerly incarcerated individuals, immigrants, and day laborers. This legislation will enable working poor construction laborers to become part of the middle class.

Across the five boroughs, New Yorkers who build affordable housing perform dangerous jobs under brutal conditions and often end up with long-term health problems. These workers should earn a wage and benefit package of at least \$40 per hour for their vital work.

Earlier this year, we were proud to play a lead role in negotiating Affordable Neighborhoods for New Yorkers, also called 485-x, a New York state affordable housing tax abatement that includes a \$40 per hour minimum wage package for construction workers. City government should take the same action now and create a \$40 per hour minimum wage package for construction workers who build city-subsidized affordable housing.

The unjust status quo of poverty wages for affordable housing construction must end.

It's time for the New York City Council to pass the Construction Justice Act.

Thank you.



MHANY Management Inc.
(A Mutual Housing Organization)
470 Vanderbilt Avenue
9th Floor
Brooklyn, NY, 11238
Ph: 718-246-8080 Fax: 718-246-7938
www.mutualhousingny.org

Good afternoon, my name is Ismene Speliotis and I am the Executive Director of Mutual Housing of New York (MHANY). MHANY is a non-profit owner, affordable housing developer, property manager, marketing agent, HUD-certified loan counselor and administrative services entity.

For decades we have been working to:

- Increase affordable housing opportunities by identifying and implementing creative housing development initiatives, with a focus on preservation and real, deep affordability;
- Improve the way affordable housing for low- and moderate-income people is developed and operated
- Work with building and community residents to get involved with their communities and neighborhoods
- Improve community conditions and increase neighborhood involvement
- Educate and counsel to prepare low- and moderate-income people interested in purchasing their first home and counsel current homeowners to address mortgage delinquency and default

I am submitting this testimony to the City Council in favor of INTRO 910 CHAPTER 36 COMMUNITY HIRING AND COMPENSATION STANDARDS ON CITY ASSISTED HOUSING DEVELOPMENT PROJECTS. It is time to replace dangerous low-wage jobs with safe, living wage paying jobs with benefits. As a city we have an OBLIGATION to protect all workers who build homes in neighborhoods across the city. Living wage construction jobs for every construction trade by every employer must be the norm. Real affordability in housing can go hand-in-hand with well paid, documented construction and paid benefits.

I am suggesting some changes that I believe will make the new legislation easier to implement for all parties involved. Before outlining the reasons for my support, I want to address one major issue that City agencies and developers have brought up as a "non-starter" for this legislation. The opposition's position is that there will be a dramatic increase in construction costs (upwards of 30%) which will reduce the amount of affordable housing the city can build each year and will delay housing development projects because of reduced resources (more subsidy to cover increased costs equals less projects).

Construction costs have increased substantially over the last few years. There are several reasons for this increase independent of labor costs. During and post the pandemic scarcity of resources has been a major reason contractors blame for increased costs; slowdown in the supply chain because so much building is underway is also a reason. However, there is one major factor that has increased construction costs, INSURANCE. Insurance premiums have increased astronomically over the past few years for reasons that can be addressed by adopting Intro 910; providing a living wage and ensuring that affordable health benefits are available to all workers. The industry has experienced an increasing number of accidents on construction sites; even if contractors have not been personally affected and hit with liability lawsuits, premiums have increased for all construction projects; no project owner, developer or contractor is immune. By hiring and training the construction workforce, by paying a living wage, by providing bonified health benefit coverage, contractors, owners and developers will experience increased productivity, less work stoppages, and as an industry we will be able to

demand lower insurance premiums due to safer working conditions across all housing developments.

**Wage theft,** especially among immigrant workers, is commonplace in construction and has been a problem in New York City. Independent investigations and civil actions have discovered over **\$19 million in stolen wages owed to workers on affordable housing since 2009.** In 2007, a Fiscal Policy Institute<sup>ii</sup> report revealed that residential construction and affordable housing developments in the city rely on a large underground labor force. **These workers are underpaid and often deprived of basic rights and protections.** 

Every administration must tackle income inequality and Intro 910 can help get us there. By creating construction careers, we can reduce poverty, make it easier for local residents to stay in their neighborhoods and avoid displacement and actually be able to afford the apartments that they help build. To date NO MAYOR has yet to develop a comprehensive, extensive, pipeline of safe, well paying, career-oriented jobs that will insure well-constructed affordable housing that will be built by people who will get paid a wage that will allow them to live in the housing they are building. Investing in the workers who build our affordable housing will have significant benefits to our city.

- Family-sustaining wages drive community economic development. Every dollar increase that goes into low-wage workers' pockets has an exponential impact on their local communities.
- Health benefits to all workers will ensure a healthier workforce
- Better pay with benefits may reduce the litigious nature of our world, where low compensated workers look for other ways to get money and support their families

While I am testifying in support of this legislation, I believe that a few changes could be made which would maintain the goals of the legislation while easing the implementation.

## Suggested exclusions/carve-out for certain construction projects

- New construction on scattered sites of 3 or more buildings where individual parcels are not contiguous or located on one block No individual parcel or building within the cluster has more than 20 units and
- Preservation projects on scattered sites of 3 or more buildings where buildings are not contiguous or located on one block and No individual parcel or building within the cluster has more than 20 units

## **Potential of Enforcement by Housing Agency**

• I understand the desire to remove the monitoring away from the production (housing) agencies. Recently all city housing agencies have increased their asset management capacity. If implementing Intro 910 through the comptroller seems cost prohibitive to the city, expanding asset management to include enforcement of the Construction Justice Act by housing agencies can be contemplated.

## **Creation of a Benefits Pool**

• There must be an affordable, efficient way to ensure all workers have excellent health benefits including: medical, dental, retirement. By paying a higher wage, employees will pay more into social security and will pay increased city, state and federal taxes. By the employer paying pre-tax into a central benefit system, employee and employer tax burden is reduced.

## **Expansion of Community Hire**

• I recommend that all NYC residents be included in the community hire provisions.

## **Assistance in Implementation**

The City's Small Business Administration program can invest in technology and access
to programming, training and equipment to help smaller contractors and subcontractors
set up payment and reporting systems increasingly available and already used by many
larger companies.

With these changes I believe that Intro 910 can be the change we have been working towards for a decade and a half, a commonsense solution to uplift the workers who build our affordable housing without significantly impacting our ability to build these much-needed units. We thank the City Council, the Chair and Speaker for their leadership in uplifting NYC communities and we urge you to support Intro 910 - the Construction Justice Act.

<sup>&</sup>lt;sup>1</sup> This \$19 million figure is the result of US Department of Labor, New York State Attorney General, and New York City's Department of Housing and Preservation and Development investigations as well as civil suits. It covers over 50 projects and dozens of contractors documented through freedom of information requests, court filings, and other public documents and news reports.

<sup>&</sup>quot; http://www.fiscalpolicy.org/publications2007/FPI\_AffordableHousingApril2007.pdf





## **Testimony to NYC Council on Intro 910**

Committee on Civil Service and Labor October 28, 2024

Hello, my name is Tierra Labrada, and I am the Associate Director of Advocacy at the Supportive Housing Network of New York. Before I begin, I want to be very clear that the Network is not here to oppose the minimum wage set forth in Intro 910. In fact, we commend the Council's dedication to raising the standards for workers, something the Network has been advocating for within the nonprofit human services sector, where the workforce is predominantly women of color who have been underpaid and undervalued for too long. Our advocacy for a fair minimum wage has always aimed to uplift workers and ensure they receive the compensation they deserve.

However, we do have concerns about other aspects of the legislation that we believe will have a significant and adverse impact on the City's ability to meet its goal of creating 15,000 supportive housing units by 2030.

#### **Concerns Regarding Penalties and Compliance Standards**

The penalties for presumed non-compliance would likely discourage smaller nonprofits from developing – not because they intend to break the law – but because of the cost of compliance with strict record-keeping, reporting, and the risks of penalties. This could narrow the development field to larger, for-profit developers who typically focus less on affordable and supportive housing. This shift would impact of MWBEs (Minority and Women-Owned Business Enterprises) as well, many of whom play a role in nonprofit housing development. With smaller developers priced out by bureaucracy, the diversity and accessibility of housing projects in the city could be compromised, affecting both tenants and the fabric of our communities.

## **Zip Code Hiring Requirements and Job Training Needs**

We support the Council's goal to prioritize hiring from under-resourced zip codes, but this should be backed by investment in local job training and skill-building programs to ensure there's a qualified workforce<sup>1</sup>. The Council could use its discretionary funding to support construction-related training in these communities, so residents are prepared to meet the demand created by this requirement, ensuring the hiring goals are met in a sustainable way.

### **Increased Capital Resources for Development**

Intro 910 will raise development costs, which could reduce the number of affordable units built if not countered by increased city investment. At a time when the city is being asked to build more affordable units and invest in affordable homeownership opportunities, a significant capital investment will be required. We ask the Council to secure more funding in future budgets to offset higher development costs while maintaining wage standards, housing affordability, and the record levels of production seen in the last two years.

#### **Challenges to Preserving Existing Supportive Housing Units**

<sup>&</sup>lt;sup>1</sup> Construction workforce shortage tops half a million





New York's supportive housing infrastructure is aging and financially strained. This bill, by increasing costs for preservation projects, could make it harder to rehabilitate these critical units. Without additional funding, the legislation risks weakening our city's supportive housing stock. We urge the Council to allocate funds specifically for the preservation of supportive housing, ensuring that these units remain available for New Yorkers in need.

While we support the Council's commitment to fair wages, we urge you to carefully consider these key issues. We hope to work together to both uplift workers and ensure that supportive housing can be developed and preserved, while continuing to encourage and support mission-driven nonprofits.



October 28, 2024

The New York City Council Committee on Service and Labor City Hall Park New York, NY 10007

Re: Support for Bill 910-2024, Establishment of Community Hiring and Compensation Standards for City Assisted Housing Development Projects

Dear New York City Council Committee on Service and Labor:

On behalf of the National Employment Law Project (NELP), I write in strong support of Bill 910-2024 sponsored by Council Member Carmen De La Rosa providing for the establishment of community hiring and compensation standards for city assisted housing development projects. The bill is a critical and commonsense first step in raising the floor for NYC Housing Authority (NYCHA) residents. NYCHA residents are incarcerated at higher rates than non-NYCHA residents by several-fold – even while crime rates are similar. Simply put, Bill 910-2024 creates opportunities for New Yorkers with records to access good jobs.

NELP is a national, non-profit law and policy organization headquartered in New York City. For more than 50 years, NELP has fought for the employment rights of working people across the country. We advocate at the federal, state, and local levels for policies to create good jobs, expand access to work to those who want it, and strengthen protections and support for workers in underpaid industries and individuals who are unemployed. One of NELP's areas of expertise is expanding fair access to employment for workers targeted by criminalization and the criminal legal system, disproportionately Black, Indigenous, and Latinx. NELP is one of the nation's leading authorities on "fair chance" employment policies (also known as "ban the box") and fair chance occupational licensing reforms. In recent years, NELP has worked closely with advocates and policymakers both within New York and throughout the country to craft policies and law that reduce barriers to employment and expand the job prospects of people with records.

# The criminal legal system is 4.6 times more likely to target and incarcerate NYCHA residents than non-NYCHA residents – even while crime rates are similar

New Yorkers living in New York City Housing Authority (NYCHA) census tracts are 4.6 times more likely to be incarcerated than New Yorkers who are not NYCHA residents.¹ These differences cannot be explained by greater crime rates or population size as **population size and crime rates are similar across**NYCHA and non-NYCHA census tracts. Researchers explained that this dramatic disproportionality instead results from policing methods routinely "aimed at NYCHA developments" and that "specifically target NYCHA buildings," noting that many of these policing methods are unconstitutional. These methods include well-documented and controversial practices of vertical patrolling,² stop-and-frisk,³ zero tolerance policing,⁴ nuisance ordinance enforcement,⁵ and the deployment of hyper-surveillance technologies.⁶ Given that the average number of Black residents in NYCHA tracts is over eight times greater than the average number of Black residents in the City's non-NYCHA tracts,<sup>7</sup> such policing methods amount to the systematic racial profiling and harassment of Black New Yorkers living in low-income neighborhoods.

# The criminal legal system – widely recognized to target and disadvantage Black, Indigenous, and Latinx people, and people who are cash-poor – locks workers into cycles of bad work and incarceration

Workers with arrest or conviction records face many challenges to financial stability, including hiring and firing discrimination, court-ordered debt, and the

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<sup>&</sup>lt;sup>1</sup> Jay Holder et al., "Concentrated incarceration and the public housing-to-prison pipeline in New York City Neighborhoods," *Proceedings of the National Academy of Sciences*, August 29, 2022, https://doi.org/10.1073/pnas.2123201119

https://doi.org/10.1073/pnas.2123201119

<sup>2</sup> See, e.g., Christopher Mathias, "Akai Gurley's Death Shines Harsh Light on Vertical Patrols in Public Housing," *HuffPost*, December 6, 2017, <a href="https://www.huffpost.com/entry/akai-gurley-vertical-patrols\_n\_6263202">https://www.huffpost.com/entry/akai-gurley-vertical-patrols\_n\_6263202</a>; Legal Defense Fund, "Davis v. City of New York: Protecting New Yorkers from Police Harassment," January 2010, <a href="https://www.naacpldf.org/case-issue/davis-v-city-new-york/">https://www.naacpldf.org/case-issue/davis-v-city-new-york/</a>; and Adam Curtis, "The Illegality of Vertical Patrols," *Columbia Law Review*, Vol. 109, Issue 8, December 2009

<sup>&</sup>lt;sup>3</sup> See, e.g., Center for Constitutional Rights, *Judge Rules NYPD Stop and Frisk Practices Unconstitutional, Racially Discriminatory*, August 12, 2013, <a href="https://ccrjustice.org/home/press-center/press-releases/landmark-decision-judge-rules-nypd-stop-and-frisk-practices">https://ccrjustice.org/home/press-center/press-releases/landmark-decision-judge-rules-nypd-stop-and-frisk-practices</a>

<sup>&</sup>lt;sup>4</sup> See, e.g., Brent Staples, "The Human Cost of 'Zero Tolerance'," *The New York Times*, April 28, 2012, https://www.nytimes.com/2012/04/29/opinion/sunday/the-cost-of-zero-tolerance.html

<sup>&</sup>lt;sup>5</sup> See, e.g., New York Civil Liberties Union, *NYCLU data: Nuisance laws often hit communities of color and poor hardest*, <a href="https://www.nyclu.org/press-release/nyclu-data-nuisance-laws-often-hit-communities-color-and-poor-hardest/">https://www.nyclu.org/press-release/nyclu-data-nuisance-laws-often-hit-communities-color-and-poor-hardest/</a>

<sup>&</sup>lt;sup>6</sup> See, e.g., Douglass MacMillan, "Eyes on the Poor: Cameras, facial recognition watch over public housing," *The Washington Post*, May 16, 2023,

https://www.washingtonpost.com/business/2023/05/16/surveillance-cameras-public-housing/

<sup>&</sup>lt;sup>7</sup> Holder et al., supra

threat of reincarceration. The lower annual earnings and poverty rates resulting from an arrest or conviction record are striking. An estimated 60 percent of those who have been incarcerated remain jobless a year after release.<sup>8</sup> **Only 55 percent of formerly incarcerated people make any earnings whatsoever one year after release**, with median earnings barely exceeding \$10,000 within that first year.<sup>9</sup>

Further, the financial impact of records is strikingly anti-Black. Over the course of an entire career, Black workers with an arrest or conviction record earn \$37,000 on average annually, while similarly situated white workers with an arrest or conviction record earn \$49,000. Records compound and expand the anti-Blackness already present within the labor market, even without accounting for the impact of the criminal legal system: Black workers *without a record* earn \$39,000 on average annually, while similarly situated white workers earn \$52,000.¹¹⁰ Formerly incarcerated **Black women in particular bear the highest rate of unemployment among all formerly incarcerated groups**, in part because women are more likely to be occupationally segregated into industries that perform more criminal background checks – e.g., retail and care work.¹¹¹

Nationally, almost 4 million people live under court-supervision programs like probation or parole. On any given day in the US, approximately 9,000 people are estimated to be incarcerated for violating a probation or parole requirement to maintain employment, and an additional 32,000 are incarcerated for violating a requirement to pay a court-related debt. Workers under supervision programs like probation and parole are made desperate for work by conditions of release that regularly include seeking and/or maintaining employment, court-imposed financial obligations, curfews, home and workplace visits, and the threat of reincarceration. Such supervision conditions by the criminal legal

<sup>&</sup>lt;sup>8</sup> Prison Policy Institute (PPI), "New data on formerly incarcerated people's employment reveal labor market injustices," February 2022, <a href="https://www.prisonpolicy.org/blog/2022/02/08/employment/">https://www.prisonpolicy.org/blog/2022/02/08/employment/</a>

<sup>&</sup>lt;sup>9</sup> The Brookings Institution used IRS data to track labor market outcomes and economic characteristics of incarcerated people. Brookings Institution, *Work and Opportunity Before and After Incarceration*, March 2018, <a href="https://www.brookings.edu/research/work-and-opportunity-before-and-after-incarceration/">https://www.brookings.edu/research/work-and-opportunity-before-and-after-incarceration/</a>
<sup>10</sup> Brennan Center for Justice, *Conviction, Imprisonment, and Lost Earnings*, September 2020, <a href="https://www.brennancenter.org/our-work/researchreports/conviction-imprisonment-and-lost-earnings-how-involvement-criminal.">https://www.brennancenter.org/our-work/researchreports/conviction-imprisonment-and-lost-earnings-how-involvement-criminal.</a> See also, Devah Pager, "The Mark of a Criminal Record," *American Journal* 

of Sociology, March 2003, <a href="https://doi.org/10.1086/374403">https://doi.org/10.1086/374403</a>

11 Alfonso Serrano, "Out of Prison, Out of Jobs: Unemployment and the Formerly Incarcerated,"

Colorlines, July 2018, <a href="https://www.colorlines.com/articles/out-prison-out-jobs-unemployment-and-formerly-incarcerated">https://www.colorlines.com/articles/out-prison-out-jobs-unemployment-and-formerly-incarcerated</a> and Prison Policy Institute, Out of Prison & Out of Work: Unemployment Among Formerly Incarcerated People, July 2018, <a href="https://www.prisonpolicy.org/reports/outofwork.html">https://www.prisonpolicy.org/reports/outofwork.html</a>

<sup>&</sup>lt;sup>12</sup> Bureau of Justice Statistics, *Probation and Parole in the United States*, 2022, May 2024, <a href="https://bjs.ojp.gov/library/publications/probation-and-parole-united-states-2022">https://bjs.ojp.gov/library/publications/probation-and-parole-united-states-2022</a>

<sup>&</sup>lt;sup>13</sup> UCLA Institute for Research on Labor and Employment, *Get to Work or Go to Jail*, March 2016, https://www.labor.ucla.edu/publication/get-to-work-or-go-to-jail/

<sup>&</sup>lt;sup>14</sup> "When you're released on parole you have to work in unsafe conditions and walk on eggshells. If you breathe wrong, you're fired and that's a violation of your parole." Duane Townes, formerly incarcerated

system drive desperation for *any work* and can silence workers from refusing or complaining about dangerous work, bad pay, or harassment at work. Whether a court-supervised worker can reject or refuse an underpaid or unsafe job is dramatically undercut by the threat of jail, causing such workers to enter and remain in jobs that are underpaid and unsafe. The reality, for instance, that a worker can only find jobs that pay illegally low wages in New York is all-too-frequent, where one in 20 workers makes less than the minimum wage.<sup>15</sup>

## Through Good Jobs, Bill 910-2024 is a Critical, Commonsense First Step in Interrupting the Financial Impact of Criminalization on New Yorkers

NELP advocates for a "good jobs economy," a framework that guides policy towards a more just and inclusive economy and includes the following components:

- All jobs pay a living wage and robust benefits;
- Race, gender, immigration, and court-involved status do not determine access to good jobs and opportunity;
- Workers are protected against retaliation for speaking up about workplace abuse, refusing dangerous work, and organizing at work.<sup>16</sup>

The financial impact of criminalization on New Yorkers stands in stark contrast to the above framework for racial and economic justice. Criminalization of New Yorkers increases the risks of silencing workers' voices, degrading pay and safe working conditions, and exacerbates racialized economic inequality to New Yorkers with records, which in turn increases these risks to the whole of us.

## **NYC Council has an opportunity to interrupt the financial impact of criminalization on New Yorkers** through Bill 910-2024. The Bill ensures that:

- Any housing developer that receives financial assistance from the City to construct or demolish residential buildings or structures pay their workers a combined wage and essential benefits package of at least \$40 an hour with no less than \$25 being wages;
- Such housing developers engage in best efforts to ensure that at least 30
  percent of the hours worked on the project are worked by residents of

New Yorker and member of Laborers' Local 79 Fight Back Campaign, Real Reentry for New York, https://www.realreentry.org/

<sup>&</sup>lt;sup>15</sup> Economic Policy Institute, *Employers Steal Billions from Workers' Paychecks Each Year*, May 10, 2017, <a href="https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/">https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/</a>
<sup>16</sup> Rebecca Dixon and Amy Traub, *Desegregating Opportunity: Why Uprooting Occupational Segregation is Critical Building a Good-Jobs Economy* (National Employment Law Project, 2024) <a href="https://www.nelp.org/insights-research/desegregating-opportunity-why-uprooting-occupational-segregation-is-critical-to-building-a-good-jobs-economy/">https://www.nelp.org/insights-research/desegregating-opportunity-why-uprooting-occupational-segregation-is-critical-to-building-a-good-jobs-economy/</a>

- NYCHA or residents of a zip code where at least 15% of the population is below the federal poverty rate;
- Developers submit their hiring plan to the City describing their recruitment strategy to meet such hiring goals prior to receiving any financial assistance from the City;
- Developers submit quarterly reports to the City reflecting days and hours worked, wages paid, and benefits provided their workers;
- The NYC Housing Preservation and Development Department maintain a publicly accessible database and annual reporting regarding these requirements; and that
- The City enforces these requirements as well as ensures that aggrieved workers have a private right of action.

For these reasons, the National Employment Law Project supports the Council in passing Bill 910-2024.

Respectfully submitted,

Han Lu

Senior Staff Attorney

Han Lu



# **Testimony of Hannah Chimowitz**

National Employment Law Project

In Support of Int. No. 910:
Establishing Community Hiring and
Compensation Standards for City Assisted
Housing Development Projects Under the
Construction Justice Act

## **Hearing before New York City Council**

Committee on Civil Service and Labor

October 28, 2024

Hannah Chimowitz

Senior Researcher and Policy Analyst

National Employment Law Project

90 Broad St

New York, NY 10004

hchimowitz@nelp.org

# In Support of Establishing Community Hiring and Compensation Standards for City Assisted Housing Development Projects (Int. 910)

Thank you Chair De La Rosa and committee members for the opportunity to testify. My name is Hannah Chimowitz, and I am a senior researcher and policy analyst for the National Employment Law Project (NELP), a New York-based national nonprofit that has been fighting for workers' rights for fifty-five years. NELP is a leading authority on fair chance hiring and licensing, working closely with advocates and policymakers to reduce barriers to employment for people with arrest or conviction records.

We strongly support the Construction Justice Act (Intro 910). By establishing just wage and benefit standards and community hire goals for city assisted housing development projects, this bill will create job opportunities for economically disadvantaged workers and help address the financial harms of criminalization.

# The Construction Justice Act will help break cycles of criminalization and financial instability.

Construction is one of the few industries where people with records can find work.<sup>1</sup> Around one in four recently incarcerated people who find employment work in construction.<sup>2</sup> The Construction Justice Act will ensure that residents of New York City Housing Authority (NYCHA) developments and neighborhoods with higher poverty rates will have access to construction jobs with good wages and essential benefits.

Due to a public housing to prison pipeline that fuels racialized economic inequality in the city, incarceration rates in census tracts with NYCHA developments are 4.6 times higher than in non-NYCHA neighborhoods, despite similar crime rates.<sup>3</sup> This disparity is driven by hyper-surveillance and aggressive policing tactics, such as vertical patrolling, stop-and-frisk, and zero tolerance policing, that are aimed at NYCHA developments.<sup>4</sup> As these residents are disproportionately impacted by the criminal legal system, this bill provides an opportunity to help break the cycle of criminalization and financial instability.

# Workers with records face significant barriers to financial stability and are more susceptible to exploitation on the job.

People with records face major obstacles to securing good, well-paying jobs.<sup>5</sup> Conditions of probation and parole, including mandated employment and court-imposed financial obligations, can also drive desperation and create intense pressure for workers to accept any job they can find, no matter how unsafe or underpaid.<sup>6</sup>

This dynamic is prevalent in the construction industry, where low-wage workers—especially those with criminal records — are more susceptible to exploitation. This bill will help ensure that city assisted housing is not built using the coerced labor of exploited workers.

## **Conclusion and recommendations**

This bill provides a pathway to good construction jobs for workers and communities that have been historically marginalized in the labor market and targeted by the criminal legal system.

For these reasons, the National Employment Law Project strongly urges the Council to pass the Construction Justice Act. Thank you for your attention and consideration.

## **Endnotes**

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- 2. Dallas Augustine. "Coerced Work during Parole: Prevalence, Mechanisms, and Characteristics," Criminology, 2023, 546-581, <a href="https://onlinelibrary.wiley.com/doi/abs/10.1111/1745-9125.12336">https://onlinelibrary.wiley.com/doi/abs/10.1111/1745-9125.12336</a>; Christy Visher, Sara Debus, and Jennifer Yahner, "Employment after Prison: A Longitudinal Study of Releasees in Three States," Urban Institute Justice Policy Center Research Brief, October 2008, <a href="https://www.urban.org/sites/default/files/publication/32106/411778-Employment-after-Prison-A-Longitudinal-Study-of-Releasees-in-Three-States.PDF">https://www.urban.org/sites/default/files/publication/32106/411778-Employment-after-Prison-A-Longitudinal-Study-of-Releasees-in-Three-States.PDF</a>.
- 3. Jay Holder et al., "Concentrated Incarceration and the Public Housing-To-Prison Pipeline in New York City Neighborhoods," Proceedings of the National Academy of Sciences, August 29, 2022, <a href="https://doi.org/10.1073/pnas.2123201119">https://doi.org/10.1073/pnas.2123201119</a>.
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- 6. Noah Zatz et al., "Get to Work or Go to Jail: Workplace Rights Under Threat," UCLA Institute for Research on Labor and Employment, March 2016, <a href="https://irle.ucla.edu/wp-content/uploads/2016/03/Get-To-Work-or-Go-To-Jail-Workplace-Rights-Under-Threat.pdf">https://irle.ucla.edu/wp-content/uploads/2016/03/Get-To-Work-or-Go-To-Jail-Workplace-Rights-Under-Threat.pdf</a>; "When you're released on parole you have to work in unsafe conditions and walk on eggshells. If you breathe wrong, you're fired and that's a violation of your parole." Duane Townes, formerly incarcerated New Yorker and member of Laborers' Local 79 Fight Back Campaign, Real Reentry for New York, <a href="https://www.realreentry.org/">https://www.realreentry.org/</a>

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October 25th, 2024

To Whom It May Concern,

New York Communities for Change (NYCC) is proud to support the Construction Justice Act. As one of the largest grassroots, community-based organizations in New York, NYCC has been on the frontline of efforts to fight for fair housing and jobs with dignity. We have long partnered with Laborer's Local 79 in demanding that New York City enact policies that ensure real affordability, real local hire and real livable wages.

We continue to hear from our partners and from our members about the routine exploitation of construction workers by bad actors in the affordable housing industry.

The Construction Justice Act ensures that every dollar of city subsidy returns to our neighborhoods through local hire and good wages that can build generational wealth for working families.

We know that low wages are one of the biggest contributors to the housing crisis. As the price of groceries, health insurance, and housing continues to sky-rocket, wages in our city have not kept pace for too many. Construction Justice is the type of legislation working New Yorkers need right now if we're going to fight systemic poverty. Studies have shown that higher wages help our communities' economic development by giving workers the resources to support their families and communities. Raising the floor also benefits women, justice-affected individuals, and workers of color the most.

We need to uplift Black and Brown construction workers who build affordable housing across our city. Taxpayer dollars cannot be used to the subsidize the exploitation of disenfranchised construction workers. Instead, just wages and local hire can help ensure that city subsidies benefit communities most in need of good jobs and quality housing.

We commend the Committee on Civil Service and Labor for bringing forward this bill and urge the swift passage of Construction Justice Act Intro. 910.

Best, Olivia Leirer Co-Executive Director



Jukay Hsu Co-Founder & CEO, Pursuit

October 28, 2024

Councilmember Carmen De La Rosa Chair, Committee on Civil Service and Labor New York City Council

Dear Chair De La Rosa and Esteemed Committee Members,

I am Jukay Hsu, co-founder and CEO of Pursuit, an organization dedicated to breaking down barriers to good-paying jobs through innovative training and support.

At Pursuit, we empower individuals from underserved communities to build meaningful careers in technology and other high-growth fields. Since our founding we've trained and placed nearly 1,000 New Yorkers in high-growth jobs at organizations like Citi, Union Square Ventures, and the New York Times. Our Fellows go from making \$18k per year to more than \$90k, on average.

I thank Councilmembers Menin and Williams for introducing Resolution 522, and you and the members of the Committee on Civil Service and Labor for holding a hearing on this resolution in favor of passing the Good Jobs Guarantee Act in Albany. This nation-leading model challenges us to innovate traditional workforce development funding in order to better deliver for New Yorkers, particularly those facing economic challenges, have access to quality job opportunities by dramatically and sustainably expanding the amount of funding available to fuel workforce training by establishing a \$100 million state-backed guarantor fund that could unlock approximately \$1 billion in private funding for effective outcomes-based workforce development programs. In turn, it would create 24,000 good-paying jobs, and generate \$6.5 billion in worker earnings and an astonishing \$21.5 billion in total economic output.

At Pursuit, we believe in providing individuals with not just the skills, but also the connection to jobs to thrive in today's economy. I encourage the committee to pass this resolution and ensure its adoption by the full New York City Council.

Sincerely,

Docusigned by:

Jukay Hsu

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Jukay Hsu

Co-Founder & CEO, Pursuit

Good afternoon. I am Robert S. Altman, and I represent the Queens & Bronx Building Association (QBBA) and I testify here today against Intro. No. 910.

While QBBA understands the intent of the legislation and sympathizes with its goals, we want to emphasize the various negative impacts the legislation will have for affordable housing. Achieving the goals of the legislation will sacrifice affordable units for the City and harm small minority contractors. If anyone claims to you that the developer will simply pick up the extra costs this bill will place on it, they are incorrect and trying to fool you. Let me emphasize this, no developer is going to pay the extra costs of this legislation without receiving an extra amount of subsidy from the City of New York. Moreover, if such an extra subsidy is given, it just means those dollars that could have gone to building more affordable housing are being absorbed by the costs of this bill. And if a developer is telling you that it can absorb the cost, you can bet it will be trying to save costs elsewhere, most probably in the construction and safety of the building. And the costs are not just in the extra wages, but also in the reporting requirements. And once you raise the minimum wage of the lowest paid worker, a developer must then raise the wages of those who have more important workers. After all, a carpenter will want to be paid substantially more than a person who only sweeps.

And it is in those reporting requirements that once again, the Council places a burden on smaller contractors, most of which are minority-owned. The extra costs of audits and book-keeping to satisfy the comptroller are growing and growing. These smaller entities are least able to be able to absorb the reporting costs.

There is a direct push and pull between costs and affordability with city subsidies. The Council hopefully understands this. So it should be plain and direct in saying that it is willing to sacrifice the amount of affordable units being built in order to increase wages. It should also be willing to state that it is willing to harm small and minority businesses in order to increase wages. Increasing wages is a noble goal, but the Council should plainly state that it understands that there are serious negative ramifications to doing so.

A better solution would be to take care of this within the budget than legislation. Each year, as the Council allocates its capital dollars, it can decide how much of its subsidy dollar it wishes to give to wage increases and how much it wants to give for more units. This bill gives a blanket rule for all projects just on one side of the equation. But an annual budget review would make the Council better consider how much it wants to balance wages and affordability and small and minority businesses. This would allow each Council to weigh the current state of the market and determine how best that particular Council wishes to proceed.

But etching this policy into law will eliminate such flexibility from the Council and harm affordability going forward. The Council should think very carefully about whether it actually wants to permanently do this.



#### TESTIMONY

For The City of Yes Housing Opportunity Public Hearing

New York City Council

10/22/2024

The City of Yes for Housing Opportunity proposal notably lacks provisions for mandatory affordable housing. The absence of such a requirement is alarming, as it leaves room for developers to prioritize market-rate rental units, cooperative apartments, and condominiums over affordable housing. Developers can increase the Floor Area Ratio (FAR) through air rights transfer from individual landmarks, further incentivizing market-rate development. While we support the expanded area for air rights transfer as it could provide much-needed income for historic faith-based institutions and other properties, transfers should be subject to community review.

The City of Yes for Housing Opportunity initiative, designed to enhance housing availability, will have a significant impact on NYCHA residents. By reducing the required open space for campuses over 1.5 acres from 75% to 50% and allowing new buildings to reach a maximum height of 193 feet, this policy could pave the way for large-scale market-rate rental units on NYCHA properties. This shift could lead to a substantial reduction in open space, which currently serves as vital communal and recreational areas for residents. Introducing market-rate units may alter the socio-economic dynamics within NYCHA campuses, potentially marginalizing existing residents and undermining the sense of community. It is crucial to carefully balance the need for additional housing with the preservation of open spaces and the well-being of NYCHA residents to ensure equitable and inclusive urban development.

Universal Affordable Preference (UAP), with an average of 60% of AMI, is much higher than the actual area AMI for most households in upper Manhattan and the outer boroughs. UAP requirements should mandate a greater percentage of affordability (30%) and an average AMI of 40% instead of 60%.

The proposed 20-foot setback will reduce interior green space, which provides vital light and air and mitigates environmental and storm runoff.

Regards,

**Executive Director** 

Claudette Brady

Save Harlem Now!

**Testimony:** Aasim Martin

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

My name is Aasim Martin and I'm from Harlem. I worked many years in dangerous conditions building affordable housing while struggling day-to-day with low wages.

My low pay made me feel easily replaceable.

I first worked for a demolition company that fired me because I complained about getting paid off the books. I next worked for a masonry company on the books, but I was still paid so poorly that I had Medicaid.

When I injured my ankle on a night shift, I was told by my foreman that I wasn't getting worker's comp so I ended up using some of my sick days. This job paid better, so I went back to work limping.

The most the masonry company paid me was \$25 an hour but they never gave me health insurance. It also was not steady work, because in construction you may not work every day and masonry work is especially weather dependent. I woke up every morning afraid I'd get a text that I wouldn't be working that day and not getting paid.

My worst fear is not being able to provide for my family. Construction is the deadliest industry in New York City. All of us are risking our lives every day. We deserve safe jobs that treat us fairly and pay at least \$40 an hour.

Since I began my apprenticeship, I have been able to take my family out of poverty. I have job security and I don't fear missing a day of work.

I am proud of my family and friends that are now following in my footsteps. My son recently started his apprenticeship and he did not have to experience exploitation like I had to. He was just on an affordable housing site in the Bronx working for a masonry contractor that pays fair wages with health insurance.

At the moment I'm working with my tools to renovate a hospital, but I would love one day to work with my son on an affordable housing job with a \$40 standard.

Construction Justice has already blessed my family. Our city needs to create more good jobs so those living in poverty have a chance to make a better life for themselves. We need Construction Justice. Thank you.

## **COLUMBIA UNIVERSITY**

IN THE CITY OF NEW YORK

DEPARTMENT OF SOCIOLOGY

Adam Reich Professor of Sociology 606 W. 122<sup>nd</sup> Street, Room 501 New York, NY 10025

October 25, 2024

To Whom It May Concern,

My name is Adam Reich and I am a Professor of Sociology at Columbia University, where I study the relationship between the criminal legal system and the labor market. I am writing in strong support of the Construction Justice Act, because I see it as an opportunity to reduce recidivism among justice-involved people in New York City.

Construction is one of the industries in which formerly incarcerated people are most likely to find work post-release. The quality of jobs in this industry are thus very important for the outcomes of those returning from prison. Because people are understandably desperate for work upon release, they are often willing to accept jobs in the construction industry that are exploitative and dangerous. But this does not serve them well. Contrary to the commonsense notion that having *any* job ought to keep someone from returning from prison, there is now a robust body of evidence suggesting that this is not the case: placing people in jobs at or near the bottom of the labor market has little to no effect on employment and recidivism outcomes.

On the other hand, observational research finds that those who are able to find higher quality jobs after release are more likely to avoid reincarceration, and that return to custody is less likely among parolees who find high quality employment versus similarly situated parolees who find low quality employment.

Creating robust labor standards in the construction industry, as the Construction Justice Act would help to do, is likely not only good economic policy, but good criminal justice policy as well.

Sincerely,

Adam Reich

**Testimony:** Alvaro Gonzalez Duran, *Organizer, LIUNA Local 79* 

Topic: Construction Justice Act, Intro 910

Date: October 28, 2024

Good afternoon. My name is Alvaro Gonzalez Duran. I'm a proud Local 79 member and labor organizer.

Before I joined the Local 79 apprenticeship program, I worked in non-union construction for residential contractors who benefit from city subsidies. I made near minimum wage without health insurance from my employer.

One day, my appendix broke and I had to go to the hospital for emergency surgery. Because I didn't have health insurance, I ended up with almost \$30,000 in hospital debt.

I was already struggling financially with over half my paycheck being spent on housing and transportation. I used to drive home after work and just sit in the car and cry, because I didn't know how I would survive while earning such low wages.

It wasn't until I received a \$40 per hour wage to build housing that I finally had some breathing room. My life changed drastically. I had healthcare and I went to the dentist. I started saving. After a year my wife and I bought our first house together and got married.

I'm proud of the life I have built. I have worked for it and I have earned it. But there are too many people in my community, especially immigrants from low-income backgrounds, who have to accept dead-end jobs because they have no other options. They are struggling with rising rents —which went up 7 times faster than wages last year.

On construction job sites, I hear too many stories of bosses taking advantage of workers' parole or immigration status, keeping them trapped in poverty level jobs.

Workers of color and immigrant workers are often stuck in these so-called "low-skilled" jobs. These jobs are referred to as "low-skilled," not because of the skill needed, but because of who is doing the work. They see us as a disposable workforce.

It's unjust and wrong that some construction workers earn triple or quadruple what other construction workers are paid for the same work on city-subsidized affordable housing projects. The City Council has the power to change this and should do so by passing the Construction Justice Act immediately. A \$40 per hour minimum wage and benefit compensation package would ensure that construction workers who build city-subsidized affordable housing are lifted

out of poverty and can become part of the middle class.

We also can't forget the importance of essential benefits. I want to speak briefly now about the importance of health benefits and retirement benefits for construction workers like me. New York construction workers are uninsured at 3 times the rate of other workers, yet we perform some of the most difficult and dangerous jobs. Our bodies break down physically. Most of us in construction can't work into our 60s.

We need to be able to retire with dignity. Construction employers who benefit from city subsidies should be paying health and retirement benefits to their workers. When workers don't have healthcare or retirement contributions from their company, they are likely to rely more on taxpayer-funded resources and programs from the government.

Over the past decade, the City Council has passed legislation to raise wages for fast food workers, retail workers, taxi drivers, service providers, and app-based delivery workers. In 2019, the City Council set a new wage standard – which is now above \$40 per hour – for building service workers on city-financed affordable housing projects.

It's time to do the same for construction workers who build city-financed affordable housing.

We need and deserve a minimum compensation package of \$40 per hour. That's why I urge the City Council to pass the Construction Justice Act.

Thank you.

**Testimony:** Danny Coley

**Topic:** Construction Justice Act Intro 910

**Date:** October 28, 2024

My name is Danny Coley and I live in the Bronx. My story is proof that creating good jobs in affordable housing construction is possible and necessary. After joining the union I worked on a 100% affordable housing project in Brooklyn with Local 79 where we got paid a just compensation package of about \$40 an hour.

Before joining the union, I was paid minimum wage on a residential job by a subcontractor that took advantage of my incarceration history. It felt like a dead end or a path back to prison.

But my future brightened after I got the job at \$40 an hour. My pay jumped from minimum wage with no benefits, to a good livable wage that includes healthcare and retirement benefits.

This job gave me something I never had before: stability. The security of a paycheck I can actually live on.

Now I have a career and I can make the most of my second chance. And I am proud to have helped build hundreds of new affordable apartments for New York City residents.

Workers like me are ready to build the housing that New York City needs in the communities we come from. Responsible developers are showing that you can pay workers a just wage without sacrificing affordability. Let's get to work.

We need Construction Justice. Thank you.

**Testimony:** Freddy Loaiza Salazar

**Topic:** Construction Justice Act Intro 910

**Date:** October 28, 2024

[Translated from Spanish, Spanish below]

My name is Freddy Loaiza Salazar. I live in Queens and I am a Local 79 journeyworker.

Previously I worked for a non-union affordable housing contractor for three years. I was working as a laborer and mason tender. I was paid \$17 per hour with no health insurance from my employer.

The pay when I worked non-union was not enough to build a good life. I could only afford to rent a room and I had no savings. I'm going to say it again, I was working on a City funded job, while renting only a room to sleep in and skipping meals. I put off going to the doctor because I was scared that I would get hit with an expensive medical bill. I don't know what I would have done in an emergency.

Now I earn a just compensation package. Having healthcare for my family saved my wife's life. When she was very sick we were able to get her the medical care she needed. With better wages I can afford to rent an apartment and my life is more calm. I'm starting to save up. I still work hard but I know one day I'll be able to retire because my pay includes retirement contributions.

I see a lot of construction workers in my community, many of them immigrants, still going through the struggles that I faced. They can't plan for a future because they're just trying to figure out how to get enough food to eat each day. I used to be one of these workers. We need to pay a wage to construction workers that supports a good standard of life.

mank you.		

## [Spanish]

Me llamo Freddy. Vivo en Queens y soy miembro de la Local 79.

Antes yo partenecia a una compania de viviendas asequibles y yo trabajaba como obrero y ayudante de albaniles. Me pagaban \$17 la hora sin beneficios medicos.

El pago no era bastante para vivir una buena vida. Me alcanzaba solo para rentar un cuarto y no tenia ahorros. Lo voy a decir de nuevo, trabajaba en proyectos financiados por la ciudad, mientras rentaba un cuarto y saltaba comidas. Deje de ir al doctor porque tenia miedo que iba ser muy costoso. No se que hubiera hecho en una emergencia.

Ahora yo gano un paquete de compensación justo. Tengo seguro medico para mi familia, lo que nos ayuda mucho a mi y a mi esposa. Con mejores ingresos puedo rentar un apartamento y tener una vida mas comoda y tranquila. Puedo empezar a ahorrar.

Todavia trabajo duro pero se que un dia voy a poder retirarme porque mi paquete de pago incluye aportes de jubilacion.

Veo muchos trabajadores inmigrantes en mi comunidad que todavia enfrentan las mismas cosas. No pueden planear un futuro porque estan enfocados en como van a comer cada dia. Yo era uno de estos trabajadores.

Tenemos que pagar un salario justo a los trabajadores de la construccion, un salario que apoye a un nivel de vida digno.

Gracias.

**Testimony:** Gilfredo Valentin

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

My name is Gilfredo Valetin. I remember when I first started in construction I thought \$15 an hour was enough to feed myself and my family. I had just been released from prison so it felt like a lot of money for me at the time. I soon came to realize that it wasn't enough.

I was living check-to-check barely making enough to survive. Sometimes I went without lunch because I didn't have enough to cover my meals for the week. I felt like I was being forced to choose between paying for rent or buying groceries. It was very disheartening. It was so much pressure that I lost my ability to laugh.

I later learned that most of the sites I worked on then were new affordable housing projects that received city funding. All day I worked for a roofing contractor and sweated over a hot kettle mixing tar and spreading asphalt. I did the most for pennies on the dollar and I never received health insurance from that company.

Now that I make at least \$40 an hour, I no longer worry about putting food on the table. I don't feel like I'm drowning anymore. I can finally breathe and enjoy time with my family.

For too long construction workers like me have been paid poverty wages on tax-payer funded projects. The city council can change this reality. It is time to do the right thing.

Affordable housing should be built with fair wages. We cannot forget the importance of healthcare and retirement savings. I know my worth and it's at least a \$40 package.

I ask you to please support the Construction Justice Act.

Thank you.

**Testimony:** Jamal Butler

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

My name is Jamal Butler and I'm from Staten Island. I worked for a concrete contractor on an affordable housing project in Harlem.

When I was working there I struggled to pay for healthcare. I was making \$25 an hour, but at the end of every month, I still had to pay something like \$485 out of my own pocket to get my own health insurance. I needed health coverage because I had one of the most dangerous jobs. I was grinding the cement ceilings and all the dust was going straight in my face. I used to look like someone beat me with a bag of flour. Someone told me, watch out, silica can creep up on you. So I bought my own respirator and my own health insurance, but then I had no money left at the end of the month.

I had nothing to fall back on if I ever lost that job. There were times I wouldn't get paid on time or my checks would bounce. Sometimes I needed side hustles or a second job to make ends meet. My coworkers and I worked ourselves to the bone. We got so tired it created safety problems and fallen objects almost took my life multiple times.

When I became a residential laborer with a \$40 pay package, I could pay my rent, my family had health insurance, and I felt safer working on a job site that invests in its workers.

Too many construction workers are getting exploited especially on job sites receiving taxpayer money. These contractors should pay us enough to live decently and afford healthcare, not run us into the ground and leave us with no savings. No one can tell me that we don't deserve to make \$40 per hour. Construction workers can't work forever, we need retirement with dignity when our bodies break down from work. For this reason we also need quality medical care, working in one of the most dangerous industries.

Paying construction workers fairly and hiring from local communities will improve job site safety and productivity. Let's build affordable housing better and faster.

I support the passage of Construction Justice Act Intro 910.

**Testimony:** Jose Carlos Rosas

**Topic:** Construction Justice Act Intro 910

**Date:** October 28, 2024

[Translated from Spanish, Spanish below]

My name is Jose Carlos Rosas and I live in Queens. I worked for 4 years for an affordable housing contractor that benefited from city-subsidized work.

I got paid \$15 dollars an hour and I never had employer-paid health insurance. I was doing dangerous demolition work, but I could barely afford to survive. I struggled to provide for my family basic necessities like groceries and clothing. My family and I all lived 5 people in one room, myself, my wife and our three daughters, because that was all we could afford. This was especially difficult if one of us got sick. I used public hospital services for my daughters but when I got sick I just stayed home and hoped for the best.

Many in my community do not qualify for most government resources, and the ones they do qualify for, they are scared to use. Some refuse to go to the hospital and it has cut short their life. I'll never forget the friends and family lost during the coronavirus pandemic. It was then I realized that quality health insurance could mean life or death.

Our company was mostly immigrants but all workers in the company were exploited. We got paid just enough to keep coming back to work. The companies benefited from the work we did, but they never gave anything back to us to benefit our families.

Over a hundred of us in this company have come together as "Demolicionistas" to fight for a fair wage package with healthcare and retirement security. We faced intimidation and retaliation. One of my coworkers was unlawfully fired and it took over a year for him to be offered his job back. Despite the unfair labor practices, we have not given up.

We are proud to join the thousands of construction workers in this city fighting for justice on affordable housing projects. We are worth at least \$40 an hour. Thank you.

## [Spanish]

Me llamo Jose Carlos Rosas y vivo en Queens. Trabaje durante 4 anos para un contratista de viviendas que se beneficia de trabajo subsidiado por la ciudad.

Me pagaban \$15 la hora y nunca tuve seguro medico de mi empleador. Hacia trabajo peligroso de demolición, pero no me alcanzaba para sobrevivir. Era difícil cubrir las necesidades básicas para mi familia como comida y ropa. My familia y yo vivimos 5 personas en un solo cuarto, yo, mi esposa, y tres hijas, porque era todo que podía

permitirme. Era muy difícil si alguien se enfermaba. Utilizaba los hospitales públicos para mis hijas pero si yo me enfermaba me quedaba en casa y esperaba lo mejor.

Mucha gente en mi comunidad no califica para recursos del gobierno, y si califican, tienen miedo de utilizarlos. Algunos se niegan ir al hospital y esto acortó sus vidas. Nunca voy olvidar los amigos y familiares perdidos en la pandemia. En ese tiempo yo entendí que cobertura médica adecuada puede significar vida o muerte.

La compañía era mayoría inmigrantes pero todos los trabajadores eran explotados. Nos pagaban solo lo mínimo necesario para que regresáramos a trabajar. La compañía se lucra con nuestro trabajo, pero no nos dan nada para beneficiar a nuestras familias.

Más de cien trabajadores en esta compañía nos unimos como Demolicionistas para pedir un paquete de pago justo con seguro médico y jubilación. Experimentamos represalias de la compañía. Sacaron a un compañero y fue más de un año hasta que le ofrecieron regresar al trabajo. Malgrado las violaciones laborales, no nos rendimos.

Estamos orgullosos de unirnos a miles de trabajadores de la construcción en esta ciudad luchando por la justicia en obras de viviendas asequibles. Somos dignos de por lo menos \$40 por hora. Gracias

**Testimony:** Justice Favor, *Director of Strategic Partnerships, GNY LECET* 

**Topic:** Construction Justice Act Intro 910

**Date:** October 28, 2024

Good afternoon. Thank you Chair and Committee members for the opportunity to testify today on behalf of the thousands of construction workers in the affordable housing industry.

My name is Justice Favor. I am a proud Local 79 member and I have worked in construction, including non-union, for over a decade.

I was born and raised in public housing. I am living proof that a \$40 per hour wage and benefit package for construction can transform your life and the lives of others around you. It's what happened to me: I'm a proud husband and father with a stable, fulfilling life. That stability and fulfillment are the result of seeing my wages go from very low to \$40 and higher in recent years.

Today is not about me, though. Today is about the thousands of marginalized construction workers who perform tough, dangerous jobs building city-financed affordable housing and are paid poverty wages with no healthcare or retirement contributions. Today is about making sure our city has construction justice, so that low-income New Yorkers like the men and women I grew up with have access to family-sustaining wages and affordable housing. Today is about supporting responsible contractors who want to do the right thing and pay construction workers at least \$40 an hour or more to build affordable housing subsidized by the city.

Our communities are being defrauded by some bad actors in the affordable housing industry who take government subsidies and pay construction workers poverty wages.

Laborers on these affordable housing projects are mainly Black and Brown New Yorkers. They are paid as little as \$17 an hour by greedy, irresponsible contractors who are only making our housing crisis worse.

In a typical year, a \$17 per hour construction laborer makes less than \$29,000 a year, because we don't get regular hours. \$29,000 is below 30% of the area median income and means construction laborers are members of the working poor. \$17 per hour means that an affordable housing laborer can only afford \$800 in rent. That's unacceptable and wrong. They can't afford to rent the affordable apartments they are building - apartments that are typically renting for much more than \$800 per month.

A \$40 per hour minimum wage for construction workers who build affordable housing in our city is both morally right and economically feasible. We're already doing it in the market.

In the past few years, we partnered with affordable housing developers and contractors on projects that pay construction laborers a \$40 compensation package with strong community hiring standards. Since 2021, Local 79 members have worked on 100% affordable housing projects with city financing of nearly 3,000 units that did not require additional subsidy. We also have an upcoming pipeline of more than 6,000 affordable units.

Affordable projects with a \$40 per hour wage for construction laborers include Bronx Point in the South Bronx, Sendero Verde in East Harlem and 326 Rockaway Avenue in Brownsville, Brooklyn. These projects are transforming lives: they are creating deeply affordable housing while also creating family-sustaining careers for formerly incarcerated folks, women, immigrants, and local construction workers. These projects prove that workers can be paid a \$40 per hour wage while increasing the supply of affordable housing in our city.

Let me be clear: higher wages for construction workers and more affordable housing go together. But it's time to move beyond a project-by-project approach to raising wages for construction workers who build affordable housing.

We can't rely on the market alone to guarantee \$40 for all construction workers on city-subsidized affordable housing projects. The market by itself won't stop irresponsible contractors from paying workers \$17 an hour or as little as possible to build affordable housing. But city government can and should prevent irresponsible contractors from paying poverty-wages to workers who build affordable housing projects that benefit from city subsidies.

That's what the Construction Justice Act will do. Indeed, this legislation is the best way to ensure that all construction workers who build city-subsidized affordable housing receive the same \$40 per hour minimum compensation package.

If we want to be a City of Yes for affordable housing, we also have to be the City of Yes for the workers who build it and for the \$40 per hour wage standard they deserve.

That's why I urge the City Council to pass the Construction Justice Act.

Thank you.

**Testimony:** Maurice Cunningham

**Topic:** Construction Justice Act Intro 910

**Date:** October 28, 2024

My name is Maurice Cunningham. I've lived in Brownsville, Brooklyn all my life.

Over the last 8 years I've worked on affordable housing projects all over the city. Getting a low wage with no benefits is not fair at all. Everyday I woke up before sunrise with my body hurting.

To work in construction you have to be mentally and physically tough. This is one of the most dangerous industries and my body paid the price. When I fell off a scaffold, I returned to work the next day. When I messed up my knee, I kept on working, because I couldn't afford to miss a check. Now I'm 33 with a bad back and bad knees and no money to show for it.

When I got into the union, my first job was a 100% affordable housing project. I worked for a masonry contractor that paid me a fair wage. For every hour I work, I get healthcare for me and my daughter and money towards my retirement. Construction is not just a job anymore, it's a career.

My friends, family and former coworkers are still underpaid. Creating jobs at \$40 an hour in Brownsville will benefit those who need it, because the cost of living is too high in this city. It's not right for people in this industry to receive poverty wages and no benefits. Good jobs would bring down crime in my community and encourage people to find legitimate employment.

I'm not going backwards. The city needs to move forward with a fair wage of \$40 an hour.

My community needs construction justice. Thank you.

**Testimony:** Oona Adams, *Director of Organizing, LIUNA Local 79* 

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

Good afternoon. My name is Oona Adams and I am the Organizing Director for Construction and General Building Laborers' Local 79.

The Construction Justice Act is a necessary part of the City Council's actions to address our current housing crisis and end the exploitation of workers who build affordable housing.

Currently, no standards for wages, benefits, or community hiring are attached to most forms of city financial assistance that affordable housing developers seek. The Construction Justice Act will help end this unjust reality for construction workers.

Earlier this year, the city and HPD worked with Governor Hochul and the state legislature to pass a \$40 minimum compensation package for all construction workers as part of its Affordable Neighborhoods for New Yorkers, also known as 485-x, for all projects with more than 100 units.

It is time for the City to enact the same \$40 minimum standard for workers who build affordable housing that receives city subsidies. We cannot have a two-tiered system in which construction workers earn \$40 an hour on state projects but are still paid poverty-wages on city projects. That's wrong and unacceptable. \$40 per hour must be the standard for all subsidized affordable projects.

Unfortunately, HPD has refused substantive negotiations on the Construction Justice Act, despite nearly veto-proof support for this legislation in the City Council; they are also withholding basic data which the City Council mandated be made public. The HPD transparency bill Local Law 44 is currently 19 months out of date and our freedom of information requests for wage data have been substantively unanswered. In the absence of city data we completed our own internal analysis, sourced from data from key industry stakeholders, which found that increasing to a \$40 compensation standard would result in a marginal increase to construction costs of approximately 2%. Under this scenario, an affordable housing project that is 200,000 square feet would result in a \$1.2 million increase in hard construction costs, money which would go directly to NYC construction workers and through local hire to the communities which need it most.

Claims that this wage standard would be cost prohibitive at any threshold are not in good faith. They ignore the fact that city-subsidized affordable projects have been built already with this \$40 per hour standard and that other cities and states have instituted construction wage standards for affordable housing. Their doomsday claims also ignore multiple academic studies

that confirm that higher wages have been shown to increase productivity by retaining experienced workers, and faster time-to-completion.

Finally, every dollar increase that goes into low-wage workers' pockets has an exponential impact on local communities of color. A 2021 study by Pinnacle Economics demonstrates that if re-entry construction workers in our city, many of whom work in affordable housing, go from earning \$17 per hour with no fringe benefits to a \$40 package, they would make \$301 million more in wages and benefits. According to the IMPLAN economic impact model, this increased income would result in the reinvestment of \$291 million in sales and \$99 million in income for the communities they live in, also increasing local tax revenue.

Market precedent clearly exists for paying construction workers a \$40 per hour wage package to build city-subsidized affordable housing. Indeed, this precedent has been created in recent years by responsible construction contractors, unions, affordable housing developers, and elected officials. But it's time to move beyond a project-by-project, market-driven approach to raising wages. That approach still leaves too many workers vulnerable to earning poverty wages with no benefits, especially when low-road contractors are building affordable housing.

Let's be clear: the market won't guarantee that all these construction workers earn the same \$40 minimum wage and benefit package. But city government can and should guarantee it - when city tax dollars subsidize affordable projects.

That's why the City Council should pass the Construction Justice Act.

We thank the City Council, the Chair and Speaker for their leadership in uplifting NYC communities and we urge you to support Intro 910 - the Construction Justice Act.

**Testimony:** Rayvon White

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

My name is Rayvon White and I live in Bedford-Stuyvesant. I worked for an affordable housing general contractor for 8 years.

When I returned from prison, I started working in construction because I had prior experience. I was proud to work on affordable housing projects in my community, but I felt stuck.

The most I ever made was \$17.50 per hour. In order to make ends meet, I had to work long hours which meant I couldn't see my kid a lot. I remember missing Thanksgiving and other holidays to work because I needed the money so bad. At one point, I bought a car so I didn't have to take multiple buses but I had to give it up since I couldn't afford the costs.

The job was sucking me dry. I was tired, worn-out and exhausted. I did everything asked of me but when I asked for higher wages, I was ignored.

And it wasn't just me. These are the types of jobs that people in my neighborhood have been offered. I saw a big NYC logo on the job every day I went to work for poverty wages. The City should be ashamed for supporting exploitation.

My family struggled with rising rents the whole time I was working on affordable housing projects. I also didn't have health insurance and I made too much for Medicaid. I was always on edge about how long I would be out of work waiting for the next job to start.

I'd humbly ask those listening to consider if they could focus at work if they had to constantly worry about how to get medical care and food for their kids.

Now I receive fair pay and it feels like a huge burden has been lifted off my shoulders. I am actually saving money now and I can make plans to take my family on vacation.

Our city needs to invest in the construction workers that build affordable housing. My community already has too many poverty wage jobs. We now have the opportunity to transform the lives of those from communities like mine that need it the most. Please pass this bill.

**Testimony:** Shawauna Berry

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

My name is Shawauna, I'm from East Harlem and I have three kids. I was a construction worker on non-union affordable housing projects until 2022. I joined the Local 79 apprenticeship program in 2023 and now I am a proud Local 79 apprentice.

I struggled working on non-union affordable housing. The contractors paid me poverty wages and offered no insurance. On these projects I did hard work like general conditions labor, cleaning the site, fireguard, and running the hoist. I had a lot of responsibilities, but I got paid only \$18 an hour.

Even though I was working full time, I struggled to care for myself and my kids. I had to rely on government assistance like Medicaid, but even with that there were a lot of out of pocket costs because I have a health condition that requires regular check ups and medication. I always had to cancel my doctor's appointments because I couldn't afford to miss work and because I couldn't afford the out of pocket costs. There were times that I needed to see a doctor, and I couldn't. This was also difficult as a mother who is a provider for my household. I didn't even have time to help my kids with homework.

When I worked on these affordable housing projects I needed a better wage. I needed a just wage. I needed benefits or at least to make enough to be able to afford my own healthcare and to start putting a little money away for emergencies. A \$40 package would've made a huge difference. A \$40 package would have given me a little breathing room to buy my kids' school supplies and save for their college expenses.

My life got a lot better after I joined the union. Now I can stay afloat because I earn a family-sustaining wage. Every hour that I work goes towards medical and retirement contributions paid by my employer. Two of my kids are going to college, and I finally feel like I can support them. I want to build more affordable housing in my neighborhood, but me and other mothers just like me have to be able to live with dignity while we're building these projects.

Our labor is not invisible. We deserve Construction Justice. Thank you.

**Testimony:** Steve Polizzi

**Topic:** Construction Justice Act Intro 910

Date: October 28, 2024

Good afternoon and thank you for the opportunity to testify today.

My name is Steven Polizzi. I was born in New York City and I live in Far Rockaway. I previously worked for a subcontractor on multiple affordable housing projects in Brooklyn, Queens and the Bronx. I specialized in core drilling and cutting concrete.

I knew that I wasn't going to get anywhere working that job. Making \$22 an hour with no benefits meant that on a good month, I only had enough to buy food and not get evicted. But god help me if I needed a doctor, or I needed a new pair of boots.

Every day was a test of survival. A supervisor once told me to cut into a concrete wall while standing in an excavation pit on an unsecured wooden plank. When I said it was unsafe, I was told I could go home and lose a day's pay, or get the job done. I did my best to protect my safety because I needed to work to provide for my family.

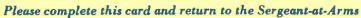
A just wage standard on affordable housing jobs would change lives for people like me. I faced a huge amount of disrespect and I believe that's partly due to my company knowing about my incarceration history.

Regardless of my history, I am worthy of a just wage for a hard day's work. We need to stop predatory contractors from being parasites in our communities. A \$40 wage standard would reflect the value of our work, instead of being treated like garbage.

My life changed when I got a job that paid a fair wage. The last few years have opened doors for my family and changed our way of life. I don't worry anymore about taking my kids out on the weekend and what that would mean for paying my rent. Communities like mine need good paying jobs and affordable housing more than ever.

I urge you to pass this bill.

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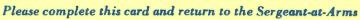
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