



**Testimony before the Economic Development Committee of the
New York City Council on Intro1169
By Angela Pinsky, Senior Vice President, Management Services and Government Affairs
Real Estate Board of New York
October 28, 2013**

Good afternoon Chairwoman Kozlowitz and members of the Economic Development Committee. The Real Estate Board of New York, representing over 14,000 owners, developers, managers and brokers of real property in New York City, thanks you for the opportunity to testify about Introduction 1169. We appreciate the goals of the bill and its intent to constantly and vigilantly improve safety and training in our City's construction and building management. At the end of the day, owners and developers are responsible, both as stewards and financially, for the workers and public safety conducted on their sites.

However, we strongly believe that the bill is too broad in its reach, is structured inappropriately, and utilizes blunt and unsuitable tools to achieve the goal of improving safety at a construction site or at a building. Although we have a more detailed list of specific concerns with the bill attached, our general concerns are as follows:

The costs and administrative burden of developing, staffing and maintaining the training programs required by this legislation are substantial, and would be felt more significantly by the smaller contractors and businesses in the construction and management industry, with a disproportionate number of minority and women business enterprises negatively impacted. The current requirements that the State Department of Labor obligates on participating apprenticeship program are extensive, require a considerable lead time(1-2 years) before approval, and require either the employer to directly administer an apprenticeship program or being a signatory to a collective bargaining agreement. Therefore, all contractors and subcontractor – regardless of size - would be forced to either incur apprenticeship program costs or lose the flexibility in employee management that is often critical to small and emerging businesses.

In the immediate term, developers would need to look toward the limited number of approved programs at the state, and incur of the costs associated with competing for a limited pool of labor, or the costs associated with the collective bargaining agreements that exist. Costs associated with these collective bargaining agreements have been estimated to be 30% more expensive due to increased labor costs and benefits, work rules, and jurisdictional issues. That increase in costs – particularly for marginal projects or those that require a substantial amount of city assistance – would lower the project's viability, as well as lower the public benefits the financial assistance is funding, including affordable housing, green retrofits and energy efficiency measures, resiliency measures, industrial businesses, or brownfield redevelopment.

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Additionally, the bill requires the developer/building owner to offer training for building service workers. It is unreasonable to expect that the management of smaller residential buildings to have the resources to develop and administer a professional training program that spans the building service workers included in this bill. Particularly when many of these workers would likely be part-time or contracted – such as a gardener or the window washer. And because there is no time limit expressed in this bill, it can be inferred that all buildings - regardless of size - would be required to incur costs associated with enrolling building service staff in existing programs, the lost hours of the employee, and the coverage labor costs - indefinitely.

It is foreseeable that the costs of these training programs could quickly outweigh the benefit of the financial assistance, rendering discretionary incentive programs and intent for as of right benefits ineffective.

Finally, the bill calls for a tremendous amount of disclosure with minimal discernible public purpose and no purpose stated in the declaration of intent. We believe that the burden to businesses created by this level of disclosure will be substantial, and will ultimately have unintended consequences such as leading to discriminatory hiring practices and disclosure of personal information that is currently afforded protection under other levels of government.

It is for these reasons that REBNY strongly opposes this bill or any version of the bill with similar intent. Thank you again for the opportunity to comment and we would be happy to take any questions from the City Council.

TRAINING

1. Apprenticeship Program

The bill requires the covered developer to ensure that all employers on the development project have apprenticeship agreements approved by the State DOL. The State Apprenticeship Program requires a substantial amount of work in order to apply including the development of a curriculum, a 1-2 year probationary period prior to approval, requirement for the employer to maintain a certain proportion of apprentices to workers, requirement for the employer to have continuous active enrollment in the apprenticeship programs, and requirement for the employer to run the apprenticeship program in-house or sign on to a collective bargaining agreement.

Any employer looking to participate in a project receiving City financial assistance would have to incur these costs of administering and staffing this substantial program. However, even willing and financially able employers would be “locked out” of these projects due to the lengthy probationary period. Additionally, there would be no ability for future projects to “ramp up” and develop apprentice programs in time for the construction of a public project, which would substantially limit any efforts to design programs with local hiring or other employment goals.

2. Issues with the State Program

In 2008, the Governor issued a moratorium on new apprenticeship programs while the State Department of Labor commissioned a report by Coffey Consulting to assess and fix the apprenticeship program. In the report, employers within the program described it as “chaotic,” “archaic,” “broken,” “disarray,” and “dysfunctional”. There were complaints that the system was too bureaucratic, the paperwork is too demanding, apprenticeships are not easily accessible to individuals, and that the agency lacks ability to communicate to the industry. Paperwork was often “lost in the system” and that it takes an inordinately long time to get programs registered.

The program that exists today still resembles the 2008 description and does not seem capable of handling the influx of applications that this bill may generate. Indicative of one of the unfulfilled recommendations by the report, the board is still has 3 vacancies – almost half of the 7 person board.

<http://labor.ny.gov/apprenticeship/pdfs/NYS%20Apprenticeship%20Report%20-%207-28-08.pdf>

3. Apprenticeship programs and union labor

For employers that are not capable of administering a training program directly or cannot find a subcontractor with an existing program, there is a likely chance that the employer would be required to hire union labor. Although it is true that not all programs at the state are union programs, the non-union programs are not nearly robust enough (nor is there at least one non-union program in every trade) to support the amount of construction that receives both as-of-right and discretionary benefits from the city. Below is an example of the programs taken from the State DOL’s site.

Trade	Bluebook listed companies	Active Apprenticeship programs in NYC	Of those, # non-union
Sheetmetal	285	2	1
Plumbing	780	5	2
Iron Workers	287	1	0

4. Hurricane Sandy

The structure of this bill would exclude existing contractors and businesses without an existing apprenticeship program from participating in Hurricane Sandy rebuilding efforts. It was recently estimated that the City's Build It Back program would require over \$2B worth of city capital to assist home owners with repairs. Many local, smaller, and MWBE contractors would be locked out of accessing that work, further limiting the pool of qualified professionals to help rebuild these communities that have already experienced a year of devastation.

5. Building Service Staff Training Programs

Through this bill, employers – regardless of size – would have to provide for training for all full-time, part-time or contracted employees in anyone providing building services, including window washers and gardeners. These costs include enrolling building service staff in existing programs, the lost hours of the employee, hours required to cover employee in training, and/or the additional expense of hiring an employee through an employer that offers the building service training.

It should be noted that this bill does not specify any requirements of the training, the goals of the training program, minimum continuing education hours, or specify that the training is required to improve the skill sets associated with the job or safety education – only that it is to be professional and have minimum requirements such as homework and attendance requirements.

6. Requirements on employer, not on the employee:

This bill does not require any direct training for the employee, it only requires that the employer participate in an apprenticeship program. Therefore, the bill may not have any impact on improving safety on a construction site. Currently, safety and training requirements for the construction or management of the building are traditionally administered by the Department of Buildings, and are enforced through licensing requirements and/or testing through DCAS.

Below are examples of increasing in the training requirements that DOB has passed or proposed in the past few years:

- Local Law 39 of 2011: A Local Law to amend the administrative code of the city of New York, in relation to the electrical code, the repeal of section 27-3025 of the administrative code of the city of New York and the enactment of a new section 27-3025.
- Intro 839: A Local Law to amend the administrative code of the city of New York in relation to elevator agency director and elevator technician licenses.

- Intro 65: A Local Law to amend the administrative code of the city of New York, in relation to training requirements for all persons engaged in any hoisting or lowering activity

DISCLOSURE

1. *Description of any finding that the developer and any contractor that will provide services on the development project have been convicted of a crime in the past 10 years:*

Any disclosures of prior convictions outside of the justice system should be considered extremely carefully. Many people who are employed or seeking employment would likely be considered to be on a rehabilitation path that we should applaud and encourage. By publicizing convictions, it may create an environment to encourage the convicted employee or partner to receive differentiated treatment, and may ultimately result in deterring these individuals from applying or being hired in these stable and quality jobs, encouraging discriminatory behavior against this already disadvantaged community.

2. *Violations of wage, discriminations, workers compensation, health and safety, or any other local, state or federal law in the past 10 years:*

Listing violations is a tremendous exercise without any clear benefit. All buildings, developers and contractors of a sufficient size carry some level of current violations of law and code - some numbering in the hundreds - that could be as small as recycling violations, presence of cigarette butts on a construction site, or lighting in hallways. Listing these violations in a single location would not provide any value and all violations that are suitable for public consumption are already made public in some form.

This is compounded by the practice that on construction projects, often a contractor will pay the cost of the violation, independent of fault, because the delays of adjudicating the violation at the Environmental Control Board often outweighs the benefit of a winning defense. This was acknowledged by the DOB in a study in 2010, which determined that it was not a good indication of the safety profile of a contractor or subcontractor.

3. *Any names which the developer and contractor will provide services:*

The bill seems to indicate that there is a development company that develops several projects and can be listed as individuals that constitute the ownership of the development company. However, development projects are generally structured as limited liability corporations, whose business is limited to that development project or building. Additionally, funding for large project often includes a combination of investors, companies, and/or funds (private or pension) that are involved in several separate projects or investments. Under those circumstances, it would be unprecedented to try to identify and list the component contributions of the fund, or to try to determine who exceeds the \$250,000 threshold. It is also questionable policy whether investors into funds should not be subjected to these levels of disclosure that are not required and are often protected by other levels of government.

4. *Workers compensation and unemployment insurance:*

This information is already available through the state level.

Enforcement

1. *Cost of unpredictability:*

This provision is so broad is unpredictable and carries the possibility of a violation up to 25% of the financial assistance in addition to a complete rescindment of the entirety of the benefit and additional civil penalties. Each represents a substantial penalty, and the uncertainty it generates would likely deter development and cause insurance requirements and lending costs to skyrocket. The least productive dollar on any construction project is one that does not purchase materials or pay an employee for services provided. Increased insurance premiums and interest rates would provide no employee additional benefit or safety and would not create more housing, commercial space, community facilities or public amenity.

2. *Requirement to rebid and Stop Work Orders:*

Currently the city has the ability to issue SWOs for any code violations. The department has worked with the industry over the past several years at minimizing SWO to absolutely critical life safety issues, as the disruption has significant repercussions on the viability of the projects, the construction site, and the employees who are unable to work during the lift of a SWO. The possibility of rebidding a subcontractor is a process that can take weeks, and could be devastating and would also certainly impact the insurance and lending costs in New York City.

Timing:

The bill does not limit the training requirement to any timeframe, the completion of the project, or the life of the benefit, which would essentially bind the development to the training programs and disclosure in perpetuity.



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TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

IN SUPPORT OF INTRO 1169 – THE SAFE JOBS ACT – OCTOBER 28, 2013

Good morning. My name is Gary LaBarbera. I am President of Build Up NYC, an alliance of the Building and Construction Trades Council of Greater New York, 32BJ SEIU and the Hotel Trades Council. We represent 200,000 workers in our industries who are fighting for good jobs and responsible development.

I am here today to testify in support of the Safe Jobs Act – an important piece of legislation that promotes safe, responsible development practices.

Every year New York City, and city agencies like the Economic Development Corporation, provide billions in financial assistance to private developers in the form of tax abatements, subsidies, low cost financing and even public land and other benefits. Due to a lack of transparency, however, it is difficult to determine the total cost of the public financial assistance, which is public money, spent on economic development or the number and quality of jobs created by these subsidies.

Construction is a dangerous industry. State-approved apprenticeship programs save lives. Last year, 75% of all workers involved in NYC workplace fatalities worked in the construction industry. A shocking 72% of these construction fatalities involved workers who did not participate in state-approved apprenticeship programs. Furthermore, a majority of workers who died in construction accidents were immigrants and individuals who did not speak English. It's clear that irresponsible employers put workers and the public at risk.

Given how dangerous construction is, the City of New York has a responsibility to ensure that developers that benefit from public development incentives and public land uphold the highest safety, training and transparency standards.

On notable projects sponsored by the City, the City has partnered with responsible developers to ensure that construction contractors uphold high safety standards by hiring contractors who participate in state approved apprenticeship programs.



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Unfortunately, the City currently provides financial assistance to developers without any requirements that developers participate in training programs. Recently Starwood Capital has been allowed to build a hotel development on public parkland at Brooklyn Bridge Park, without making any commitment to promote safe, responsible development practices. Additionally, the City has not required any such commitment.

When responsible developers invest in training programs to protect their workers and irresponsible developers look to cut corners at the expense of worker safety, responsible developers are at a disadvantage in the market place. The City must establish a fair playing field and ensure that safe work practices are upheld and good jobs are created on projects receiving financial assistance from the City.

The Safe Jobs Act will go a long way towards strengthening City development policy to ensure that developers who receive subsidies and other public benefits uphold safe, responsible development practices. And it would ensure that future projects with significant public benefits maintain high standards that protect workers and the public alike.

Construction is a dangerous industry. Adequate training is literally a matter of life and death. The Safe Jobs Act will save lives. For that reason, I fully support this crucial piece of legislation.

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COMMUNITY DEVELOPMENT PROJECT

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Testimony of

Edward W. De Barbieri before the New York City Council Committee on Economic Development Concerning A Local law to Amend the New York City Charter and the Administrative Code of the City of New York, in Relation to Establishing Training and Transparency Requirements for Certain City Development Projects Receiving City Financial Assistance

Thank you Chair Koslowitz and Council Members of the Committee for the opportunity to testify today. My name is Edward W. De Barbieri, and I am a Senior Staff Attorney at the Community Development Project of the Urban Justice Center. The Community Development Project (CDP) at the Urban Justice Center strengthens the impact of grassroots organizations in New York City's low-income and other excluded communities. We partner with community organizations to win legal cases, publish community-driven research reports, assist with the formation of new organizations and cooperatives, and provide technical and transactional assistance in support of their work towards social justice.

I speak in support of Proposed Int. No. 1169 which would require that developers who receive financial assistance from New York City disclose certain information to the City and the public, and that entities performing construction and building services provide important training to their employees. Through the disclosure requirements of this bill, New York City is taking an important step towards gathering critical information about who is receiving taxpayer-funded benefits and what benefits are being received. The proposed law builds on other successful similar legislation implemented at local, county, and state levels elsewhere in the country.

Large-scale construction projects are inherently dangerous. While safety regulations and regular inspections go a long way in minimizing the risks posed by construction projects, the best way to avoid accidents is by utilizing a highly skilled and highly trained workforce. This proposed local law will ensure that those who work on city-funded projects have the necessary skill and knowledge to complete their work safely. Not only will the population living near

construction projects benefit from safer conditions, but workers employed on these projects can take the knowledge they gained through the required training programs and apply it in future endeavors; promoting safer conditions throughout the City for years to come.

The proposed local law provides two methods of enforcement. Because monitoring every city development project is an arduous task, the bill smartly includes a method of private enforcement: the creation of a civil cause of action for violations of this bill. Creating this cause of action turns everyone affected by this bill into an enforcer of its provisions. This in turn ensures greater compliance with this bill, meaning more people will feel the bill's benefits.

City development projects have far-reaching impacts on communities and can generate tremendous economic benefits. The City recognizes these benefits and therefore supports city development projects through substantial funding. Because the City provides such extensive benefits, it is critical to ensure that the City knows who is receiving these benefits and that those persons are meeting the highest possible safety standards. The proposed local law will provide absolutely essential information that City decision-makers need when they approve the transfer of public financial benefits to private developers.

The legislation as proposed is a tremendous step in the right direction towards getting better information, but more can be done. Currently, the bill requires that the developer report important information on the type and amount of the financial assistance devoted by the City, as well as information on who is receiving the benefit of this financial assistance. While this information is vital to the public, it is important that the developer disclose how it expects property values to change in response to the city development project. The amount of tax abatements, exemptions, and other financial assistance a developer receives only tells the public what it is spending in support of a development project, not what it gets out of that project. The public deserves to know what return it can expect on its investment. Therefore, it is important for the City to add a Section 130.1(c)(1)(vi) to the proposed legislation which would require developers to report, and the City to publish on its website, how the project would affect property values in the area.

It is abundantly clear that private entities will not willingly disclose the enormous value they stand to receive as the result of City approvals. For example, Madison Square Garden Company recently requested that the City Planning Commission extend its permit to operate Madison Square Garden, and to add large electronic promotional and advertising signs. At the hearing, a CPC commissioner asked the Company's representatives about the economic benefits

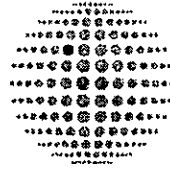
it expected to receive if its permit were granted. Company representatives responded dubiously that not only did they lack information about the increased economic value to the property should the permit be extended, but that they would not share it with the commissioner even if they had that information. The practice of private entities seeking City approvals for private property gain must include disclosure of the expected increase in property value so that City agents can be fully informed about the economic benefits private entities are seeking from the public through the approval process.

Without this information community boards, borough presidents, the City Planning Commission, the Council, and citizens of New York City are at a disadvantage—they are granting public approvals that in many cases run with the land forever without clearly knowing the economic value of the approvals given to private entities.

Overall, the proposed local law will provide the City with valuable information that will allow the City to better serve disadvantaged citizens. The proposed local law will increase transparency on how much public funding city development projects will receive, and who will receive those benefits. Moreover, the proposed local law will provide important safety benefits to the community and the workers involved in these projects. These exceptional qualities of the proposed local law far outweigh any negative aspects of requiring expanded disclosure and heightened safety requirements. The cost of preparing the required information is miniscule compared to overall costs of developing a project, which can have an impact on a community in many cases for generations. Similarly, the benefits of a skilled, safe workforce dwarf any of the costs of requiring the training. Proposed Int. No. 1169 is an important piece of legislation not just within the boundaries of the City, but also has the potential to be influential at the national level. With the addition of requiring the disclosure of property value changes following the granting of City financial assistance, we support the proposed local law in its entirety.

The passage of the proposed local law will be a huge success for not just the Committee, but for all local community individuals who do not have a voice and deserve to have access to information on projects that have an impact on their communities. In closing, I would like to thank the Committee, Committee staff, and the numerous co-sponsors for their commitment to safety and transparency. I ask all other Council Members to support the proposed local law which will empower local communities with valuable information and create a safer city for its citizens.

Thank you for the opportunity to give testimony today. Please call me at 646-459-3004, or email me at edebarbieri@urbanjustice.org, if you have any questions related to this information.



PARTNERSHIP
for New York City

TESTIMONY BEFORE THE ECONOMIC DEVELOPMENT COMMITTEE
OF THE NEW YORK CITY COUNCIL

JESSICA WALKER
VICE PRESIDENT, GOVERNMENT AFFAIRS

MONDAY, OCTOBER 28, 2013

The Partnership for New York City represents the city's top business leaders and its largest private sector employers. We are here today to recommend that the Council defer action on Int. 1169 until 2014, when you can consider this narrowly crafted legislation in a larger context as part of an overall strategy for expanding job opportunities and increasing economic opportunity for residents and businesses alike.

Earlier this year the Partnership released the *NYC Jobs Blueprint*, a comprehensive report on how the city economy has developed over the last decade that lays out an action plan for how the city could accelerate job creation and access to employment for New Yorkers in the future. A key finding of our *Blueprint* is that the continued growth and diversification of the local economy cannot be taken for granted. New York faces increasing competition, both global and domestic. Costs of doing business and the cost of living in the city have become unaffordable for business and residents alike. Tech startups are surging here, but as these young companies grow, many are moving jobs to locations with lower costs and a deeper tech talent pool. Last week, State Comptroller Tom DiNapoli's office issued a report on the city's financial industry, confirming what we have observed at the Partnership: a loss of jobs and a narrowing of profitability in the financial sector that has driven the economy and been our largest source of income tax revenues for the past thirty years.

While the city has gained jobs in the low and high income categories, we lost more than 100,000 mid-level jobs in the past decade. That trend promises to accelerate without an active effort to attract and retain business support, technology and other mid-level job functions in the five boroughs. Pressure on our budget is also a growing threat, as nondiscretionary expenses rise and federal and state aid diminishes. In other words, while the city economy seems strong today, there are real vulnerabilities that must be considered before the Council enacts legislation that could add to costs and regulatory burdens.

(Cont.)

Our Partnership *Jobs Blueprint* calls for restructuring of the city's economic development functions to build strong public-private partnerships -- organizations that would spearhead the city's efforts to support economic development, workforce development and career and technical education in key growth sectors. Specifically, we propose that the next mayor work with industry and labor to replicate the NYC & Company model, with expanded emphasis on job creation and job training. NYC & Company is jointly sponsored and funded by the city and membership drawn from business, labor, industry associations and nonprofit organizations. It has successfully led development of the tourism, travel and hospitality industry, which today employs 365,000 New Yorkers at an average salary of \$52,000. This is the kind of strategic initiative that the incoming city government needs to mount in other growth sectors such as financial and professional services, the creative industries, health, technology and manufacturing.

The new Mayor and Council members -- who will be elected next week -- deserve the opportunity to review our complex economic and fiscal challenges and come up with a comprehensive plan to guide economic development and land use laws, policies and regulations. Piecemeal actions that are rushed through in the final days of this Administration will only detract from the necessary effort to develop a framework for the future that considers the challenges that the city will be dealing with in the years ahead. The next Mayor should have an opportunity to bring everyone to the table to discuss a range of issues that impact on job creation, unemployment, and fair wages and benefits. We urge you to hold Int. 1169 at this time and allow it to be considered as part of broader reform.

Thank you.

NYSFAH

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NYSFAH Testimony on Intro 1169 Hearing of the New York City Council on Economic Development October 28, 2013

Good morning. My name is Alexandra Hanson and I am here representing the New York State Association for Affordable Housing (NYSFAH), the trade association for New York's affordable housing industry statewide. I would like to thank Chair Koslowitz and the members of the Committee on Economic Development for the opportunity to testify today on Intro 1169.

NYSFAH recognizes the Council's efforts to ensure a highly skilled workforce, minimize risk, and promote quality control on City supported construction projects. NYSFAH is committed to ensuring a skilled workforce in the affordable housing industry and recognizes the important place workforce development and training has in the industry. However, NYSFAH is deeply concerned with the adverse impact the legislation would have on affordable housing, both in terms of the effect on small businesses that work in the industry and on the City's ability to develop and preserve affordable housing.

(1) Apprenticeship agreements: Intro 1169 requires that any contractor or subcontractor performing work on a City development project have apprenticeship agreements which have been registered with and approved by the New York State Department of Labor (DOL) in accordance with Article 23 of the New York State Labor Law. While the bill does establish thresholds for compliance, these thresholds are so low that nearly all affordable housing projects will still be subject to this mandate. The provisions set forth for qualifying apprenticeship agreements will make it impossible for many of the businesses that currently work on affordable housing to be in compliance.

Much of New York City's affordable housing is built by small community-based businesses that employ local, New York City residents. Many have decades of experience working on affordable housing projects. These are skilled people in their trade – companies that have insurance as well as required trainings and certifications to safely and competently complete these jobs. However, as small businesses they do not have the intensive resources that would be required to develop and register an apprenticeship program with the DOL.

Even for those companies that may have the resources to develop an apprenticeship agreement, Intro 1169 would preclude them from participating in affordable housing projects for years until they are able to complete the registration and approval process through the DOL. Our understanding is the current timeframe for registering and approving such a program is one to two years. This is in addition to the time it would take an organization to develop the curriculum and structure for the apprenticeship. It is reasonable to assume that the approvals timeframe would increase significantly under Intro 1169 given the backlog of apprenticeship program approval requests to DOL that will result. However,

Intro 1169 takes effect immediately upon enactment, denying businesses any reasonable timeframe for registration and approval of the apprenticeship programs it requires. The result will be hundreds of businesses out of work, and many out of business entirely, due to lack of resources or simply time to comply with the narrow definition of acceptable workforce training in Intro 1169.

NYSFAFH supports workforce training and development as an important component of maintaining a skilled workforce in affordable housing. To this end, NYSFAFH members have developed and are working to expand a workforce training program, providing no-cost customized training to qualified applicants which prepares them to work on affordable housing construction sites. The training includes instruction in construction math, carpentry, plumbing, electrical, safety, and blueprint reading, as well as OSHA 10 hour, Asbestos, and Scaffolding certifications. This is just one example of workforce development that provides relevant training that would fall outside the scope of Intro 1169.

- (2) *Cost impact on affordable housing:* In addition to the devastating impact Intro 1169 will have on many of the community-based small businesses that work in affordable housing, it will also significantly raise the cost of developing and preserving affordable housing at a time when the City is in urgent need of affordable units. At an estimated average of \$10,000 per apprentice, depending on the trade, mandating these costly and resource intensive apprenticeship agreements for every contractor and sub will add significantly to the cost of developing affordable housing. In addition, there are a limited number of entities that run or have access to these DOL approved apprentice agreements, the vast majority of which are trade unions. Intro 1169 effectively creates a monopoly for these existing apprenticeship programs, excluding the hundreds of small businesses that rely on affordable housing and other construction industries for their livelihood. While the goal of enhancing education and training opportunities for construction workers on projects receiving financial assistance from the City is a laudable one, this should not be done at the expense New York City's small businesses, and to the detriment of such an urgently needed resource as affordable housing. Alternative methods of enhancing workforce development that would achieve the Council's stated goals without the adverse impact on small businesses and affordable housing production should be explored and prioritized over the narrow and damaging requirements set forth in Intro 1169.
- (3) *Punitive penalties for non-compliance:* Intro 1169 outlines harsh penalties for any covered developer found to be in violation of its provisions. This includes a provision in which non-compliant covered developers can be ordered to repay up to 25% of the total financial assistance awarded. This will jeopardize the overall financing of affordable housing projects to an extent that banks or tax credit investors may be unwilling to finance projects due to the risk involved under this provision of Intro 1169. This will cut deeply into the City's ability to produce affordable housing, and the resulting public benefits of affordable units; economic activity and jobs will be lost, as affordable housing projects will simply not move forward without these financing sources.
- (4) *Onerous reporting requirements:* Intro 1169 imposes onerous reporting requirements on affordable housing projects that will increase costs and further raise barriers to entry into the industry. Barriers to entry for small businesses into the affordable housing industry are already too high – given the capital requirements to compete in the industry, and the

regulatory burdens currently imposed by the many layers of government and private oversight on affordable housing development.

Improving the quality of housing and the skills of construction workers in New York City is a worthy cause, but the current version of Intro 1169 will have a devastating impact on both the production and preservation of affordable housing in New York City, and the community-based businesses that the affordable housing industry employs. As such, NYSFAH opposes Intro 1169. We urge the Council to explore alternative avenues of increasing opportunities for training and education for construction workers which would not have the devastating impact on small business and affordable housing production that would be seen under Intro 1169. We are eager to work with the Council to achieve those end goals. I would like to thank Chair Koslowitz the Committee on Economic Development again for the opportunity to testify today and for your consideration of NYSFAH's concerns.

NYSFAH is the trade association for New York's affordable housing industry statewide. Our 300 members include for-profit and nonprofit developers, lenders, investors, attorneys, architects and others active in the financing, construction, and operation of affordable housing. Together, NYSFAH's members are responsible for most of the housing built in New York State with federal, state or local subsidies.

October 28, 2013

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FOR THE RECORD

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Testimony of Josh Kellermann, ALIGN: the Alliance for a Greater New York, before the New York City Council Committee on Economic Development regarding the Safe Jobs Act (Intro. 1169)

October 28, 2013

Good afternoon Chairperson Koslowitz and other members of the Economic Development Committee. Thank you for the opportunity to provide testimony today. My name is Josh Kellermann and I am a Senior Policy and Research Analyst at ALIGN: the Alliance for a Greater New York. ALIGN is permanent alliance of community and labor organizations united for a just and sustainable New York.

I am here to express ALIGN's strong support for the Safe Jobs Act and to urge the City Council to pass the bill without delay.

New York City's economy is growing, but in a profoundly unequal direction. Since the Great Recession in 2008, over half of all economic gains have gone to the top ten percent of income earners. Our city lost 40,000 middle-wage jobs over the same time period, while adding 130,000 low wage jobs. If New York City is to reverse this trend and begin fostering a more equitable city where hard working residents have economic opportunities, we must take a hard look at New York City's multi-billion dollar subsidy system.

New York City provides financial assistance to thousands of businesses each year. This assistance takes the form of tax exemptions, cash grants, low-interest loans, low-cost public land and more. Subsidies alone amount to at least \$2 billion a year in New York City.¹ However, the true extent of these subsidies, as well as the impact this public investment has on equitable economic development and worker safety is largely unknown. Accordingly, we need to improve the transparency, accountability, and standards of our economic development system.

The Safe Jobs Act addresses several glaring problems in New York City's subsidy system, including the lack of proper job training for workers, poor disclosure on subsidy deals, and an enforcement mechanism that lacks teeth.

Ensuring adequate training for employees at subsidized businesses simply puts into law what should be a common-sense business practice. A well-trained workforce is a safe, efficient, and effective workforce. Worker safety should be a top priority of our government, as it involves not only worker safety, but the safety of the community at large.

¹ See ALIGN's report, "The \$7 Billion Wager" which details NYC's \$2 billion investment in private economic development through programs like ICAP/ICIP, the NYCEDC, and others, at <http://www.alignny.org/>

The Safe Jobs Act also requires subsidy applicants to disclose information on their legal history, which will allow economic development officials and the public to make appropriate decisions as to whether each applicant merits the support from public coffers. If the purpose of public subsidies for private economic development is to encourage growth that lifts all boats, then questions of wage theft, tax evasion, and proof of workers comp insurance are all essential.

Lastly, a strong enforcement mechanism is needed to ensure compliance with these provisions, and the comptroller's office offers an independent and fiscally-minded approach to this task.

The Safe Jobs Act can help New York City make concerted investments in high-road economic development. Rather than investing in any business regardless of the costs to society, New York City needs to create an investment framework that encourages high-road business practices. Adequate worker training, reporting on criminal history, and proof of insurance are simple requests that should have been made a long time ago. It is time that New York City stand up for its workers, and for all the businesses that currently do the right thing: we strongly encourage you to pass the Safe Jobs Act.

Thank you.

TESTIMONY OF THE QUEENS & BRONX BUILDING ASSOCIATION ON INTRO. 1169
October 28, 2013

GOOD MORNING, MY NAME IS LAWRENCE ROSANO AND I AM THE PRESIDENT OF THE QUEENS & BRONX BUILDING ASSOCIATION (QBBA). MANY MEMBERS OF QBBA ARE AFFORDABLE HOUSING BUILDERS AND WE ARE PROUD THAT THEY HAVE BEEN BUILDING QUALITY AFFORDABLE HOUSING AND HAVE A SUPERIOR TRACK RECORD.

WE ARE HERE TODAY TO TESTIFY IN OPPOSITION TO INTRO. 1169. THE BILL DOES A NUMBER OF THINGS, BUT FOREMOST, IT REQUIRES THE USE OF UNION LABOR ON ALL PROJECTS IMPACTED BY THE LEGISLATION, WHETHER AN AS-OF-RIGHT TAX EXEMPTION OR A DISCRETIONARY PROJECT. THIS IS DONE BY A PROVISION THAT REQUIRES THE USE OF STATE APPROVED APPRENTICESHIP PROGRAMS, THE VAST MAJORITY OF WHICH ARE RUN BY UNIONS. THERE ARE OTHER WORK FORCE SKILLS PROGRAMS IN PLACE FOR CONSTRUCTION. FOR EXAMPLE, MANY OF OUR MEMBERS HELP FUND A PROGRAM WHICH ORIGINALLY STARTED AT LAGUARDIA COMMUNITY COLLEGE AND IS NOW OPERATING IN BROOKLYN BY BUILDING SKILLS NEW YORK, AND ALMOST ALL OF THE PARTICIPANTS ARE YOUNG AND MINORITY. THIS PROGRAM WOULD NOT QUALIFY. OTHER COLLEGES ALSO OFFER PROGRAMS. THESE WOULD NOT QUALIFY EITHER BECAUSE THE PROCESS OF ESTABLISHING A NEW YORK STATE APPROVED PROGRAM IS VERY SLOW, VERY DIFFICULT, ESPECIALLY FOR COMMUNITY AND MINORITY CONTRACTORS, AND VERY BUREAUCRATIC. SO THE DEFINITION OF SUCH PROGRAMS IS NARROWED TO INSURE THAT ONLY UNION LABOR IS USED.

MOREOVER, THE BILL DISCRIMINATES AGAINST MOST OF THE MINORITY COMMUNITY CONTRACTORS IN THIS CITY, WHO ARE NOT UNION. MANY OF THESE CONTRACTORS HAVE BEEN WORKING ON AFFORDABLE HOUSING PROJECTS FOR DECADES. THEY WOULD NOW BE SHUT OUT. IN FACT, MANY OF THE PROJECTS IMPACTED BY THIS BILL ARE WITH AGENCIES SUCH AS EDC THAT OFTEN HAVE MWBE GOALS ASSOCIATED WITH THEIR PROJECTS. BECAUSE THESE GOALS ARE NOT ASSOCIATED WITH ANY LEGAL REQUIREMENT TO USE UNION LABOR BUT INSTEAD ARE CONTRACTUAL, THE PROGRAMS WOULD BE DECIMATED IN FAVOR OF UNION CONTRACTS.

AND FOR WHAT? THE INITIAL CONCLUSIONS OF THE BILL MAKE A NUMBER OF FAULTY ASSUMPTIONS ABOUT THE QUALITY AND SAFETY OF NON-UNION WORK. FOR YEARS, THE LOGIC FOR USING UNION LABOR IS THAT MANY PROJECTS IN THIS CITY REQUIRE SOME LEVEL OF SOPHISTICATION IN CONSTRUCTION AND SUPPOSEDLY UNION SHOPS ARE BETTER ABLE TO MEET THIS LEVEL. BUT MOST PROJECTS DO NOT REQUIRE SUCH SOPHISTICATION AND THERE ARE MANY SOPHISTICATED NON-UNION CONTRACTORS THAT SUCCESSFULLY BUILD IN THIS CITY. MOREOVER, CLAIMS THAT UNIONS ARE SAFER ARE JUST NOT BORNE OUT BY EXPERIENCE. IN THE PAST, UNIONS WOULD MAKE CLAIMS OF BETTER SAFETY RECORDS BY TAKING A NARROW SLICE OF EXPERIENCE. BUT THAT ARGUMENT ENDED A FEW YEARS AGO WHEN REGRETABLY MANY UNION WORKERS WERE KILLED AT VARIOUS SITES ACROSS THE CITY, PARTICULARLY AT TOWER CRANE SITES, WHICH ARE ALMOST ENTIRELY UNION. INDEED, IF WE WERE TO TAKE STATISTICS FOR JUST THAT TIME, UNION SITES WOULD HAVE A FAR WORSE

TRACK RECORD THAN NON-UNION. STATISTICS ARE WONDERFUL THINGS, BUT BY NARROWING TIME FRAMES OR CIRCUMSTANCES OR FACTS, THEY CAN BE USED TO JUSTIFY ANY ARGUMENT. AND WE HAVE ALL HEARD ABOUT THE POOR QUALITY ISSUES AT VARIOUS HIGH PROFILE UNION PROJECTS OVER THE YEARS, AND EVEN WORSE, VARIOUS LEGAL-ORGANIZED CRIME ISSUES AT VARIOUS UNIONS

MOREOVER, STUDIES CONSISTENTLY SHOW THAT UNION CONTRACTS AND WAGES ADD AT LEAST 25% TO THE COST OF CONSTRUCTION. FOR AFFORDABLE HOUSING, THIS MEANS EITHER HIGHER WAGES OR FEWER UNITS FOR THE WORKING POOR OF OUR CITY. UNIONS WILL TRY TO SELL THE COUNCIL ON THE PROMISES THAT PROJECT LABOR AGREEMENTS CAN LOWER THE COST, BUT THEY ARE NOT NEARLY SUFFICIENT TO DO SO. PROOF OF THAT IS THAT MANY BIG DEVELOPERS IN THE CITY, DESPITE THEIR PREVIOUS RELATIONSHIPS WITH THE UNIONS, HAVE OVER THE PAST FEW YEARS OPTED TO BUILDING MAJOR BUILDINGS IN MANHATTAN WITH NON UNION CONTRACTORS. AND THE WAGES PAID BY OUR DEVELOPERS AND CONTRACTORS ARE NOT MINIMAL RATES. OUR WORKERS MAKE EXCELLENT MONEY, MOST OFTEN WELL BEYOND THE COUNCIL'S LIVING WAGE RATES. SO THIS IS NOT SOME SOB STORY ABOUT EXPLOITED WORKERS. OUR WORKERS DO WELL.

ON ECONOMIC DEVELOPMENT PROJECTS, THE COSTS OF THE BUREAUCRACY REQUIRED UNDER THIS BILL IS SIMPLY TOO ONEROUS. MANY BUSINESSES COVERED BY THE BILL ARE DETERMINING WHETHER TO STAY IN NEW YORK OR MOVE ELSEWHERE. THEY ARE LOOKING FOR LESS BUREAUCRACY AND COSTS, NOT MORE. BY ADDING COSTS AND BUREAUCRACY, THE BILL HEIGHTENS THE BAR WHEN THEY MAKE THEIR DECISION WHETHER TO STAY IN NEW YORK. THE BILL INVITES THEM TO MOVE TO VIRGINIA, PENNSYLVANIA AND OTHER STATES. ON SOME PROJECTS, THIS IS NOT NECESSARILY TRUE BUT THE BILL ACTS LIKE A VERY BLUNT OBJECT. THESE BUSINESSES OFTEN DO NOT NEED TO BE IN NEW YORK. THEY CAN GO ELSEWHERE. THE ONLY PROJECTS THIS BILL COULD POSSIBLY NOT ENDANGER ARE PROJECTS THAT MUST TAKE PLACE IN NEW YORK CITY, AND THESE PROJECTS ARE LIMITED. MOREOVER, WITH SUCH REQUIREMENTS, LARGER SUBSIDIES WILL BE REQUIRED. AND FOR AS-OF-RIGHT PROJECTS, DOES THE COUNCIL REALLY WANT EVERY 421-A OR ICAP PROJECT TO MEET THESE ONEROUS REPORTING REQUIREMENTS?

MOREOVER, MANY PROJECTS DONE BY IDA INCLUDE UNION LABOR IN THE PERMANENT JOBS. BY ATTEMPTING TO PROMOTE UNION CONSTRUCTION JOBS AND INCREASING THE RISK OF A BUSINESS MOVING OUT OF STATE, THE LEGISLATION RISKS THE LOSS OF OTHER PERMANENT UNION JOBS.

FINALLY THE BILL SUFFERS FROM VARIOUS LEGAL ISSUES THAT OTHER RECENTLY PASSED COUNCIL BILLS ALSO SUFFER FROM AND ARE SUBJECT TO LITIGATION AT THIS TIME, MAINLY PRE-EMPTION. THE COUNCIL SHOULD WAIT UNTIL SUCH CASES REACH THEIR CONCLUSION BEFORE PASSING ADDITIONAL LEGALLY SUSPECT LEGISLATION OF THE SAME NATURE.

FOR THESE REASONS, QBBA OPPOSES INTRO. 1169.

TESTIMONY OF ROBERT S. ALTMAN ON INTRO. 1169
October 28, 2013

MY NAME IS ROBERT ALTMAN, AND I AM TESTIFYING TODAY AS SOMEONE WHO REPRESENTS A NUMBER OF MANUFACTURING CLIENTS.

INTRO 1169 IS A HARMFUL BILL TO THE CITY'S BUSINESS COMMUNITY. WHILE ITS PRIMARY INTENT SEEMS TO IMPACT CITY DISCRETIONARY BENEFIT PROGRAMS, IT, IN FACT, PICKS UP AS-OF-RIGHT PROGRAMS.

IT IS IRONIC THAT THE COUNCIL SHOULD WANT TO PASS SUCH A BILL. A FEW YEARS AGO, WITH MUCH FANFARE, THE COUNCIL PASSED AN MWBE BILL DESIGNED TO ASSIST MINORITY CONTRACTORS WITH THE INDUSTRIAL & COMMERCIAL ABATEMENT PROGRAM (ICAP). BY PASSING THIS BILL, THE COUNCIL WILL EVISCERATE THE GOOD OF THAT BILL AS THE OVERWHELMING MAJORITY OF MINORITY AND WOMEN OWNED BUSINESSES IN THE CITY DO NOT USE UNION LABOR AND DO NOT PARTICIPATE IN A UNION SPONSORED APPRENTICESHIP PROGRAM. SO IF THIS BILL PASSES, IN CERTAIN CIRCUMSTANCES AN ICAP APPLICATION WILL BE REQUIRED TO USE UNION LABOR WHILE AT THE SAME TIME SOLICITING THREE BIDS FROM MWBE'S WHICH ULTIMATELY CANNOT BE USED ANYWAY. THUS, THE BILL CREATES MORE PAPERWORK FOR NO BENEFIT.

JUST AS INTERESTING WOULD BE HOW TO DETERMINE WHAT A BENEFIT WOULD BE UNDER ICAP OR 421-A. THE ICAP BENEFIT IS NOT SET UNTIL AFTER CONSTRUCTION IS COMPLETE. UNDER THE BILL, PROJECTS THAT RECEIVE OVER \$1 MILLION IN ASSISTANCE ARE SUBJECT TO IT. IRONICALLY, THE FINANCIAL ASSISTANCE THAT THESE PROJECTS RECEIVE IS NOT SET UNTIL AFTER CONSTRUCTION IS COMPLETE. SO HOW CAN THE CITY DETERMINE BEFORE THE PROJECT BEGINS THAT THE BENEFIT WILL EXCEED \$1 MILLION. THE TRUTH IS, IT CAN ONLY SPECULATE.

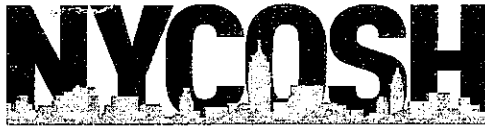
NEXT, THESE PROGRAMS ARE DESIGNED FOR CERTAIN GOALS. ONE IS TO KEEP BUSINESSES IN THE CITY. BUT THE UNION REQUIREMENT IN THIS BILL WILL ADD TO THE COST OF DOING BUSINESS IN THE CITY, WHILE THE GOALS UNDER THESE PROGRAMS ARE TO LESSEN SUCH EXPENSES. MOREOVER, IT IS NOT AS IF THESE EXTRA COSTS ARE SPREAD-OUT OVER TIME. THEY ACTUALLY COME AT THE BEGINNING OF A PROJECT, A TIME WHEN A PROJECT IS MOST SENSITIVE TO COSTS AND OFTEN RECEIVING NO BENEFITS (WHICH IS VERY TRUE WITH ICAP, WHERE NO BENEFIT IS RECEIVED UNTIL ONE YEAR AFTER CONSTRUCTION IS COMPLETE). AND THE UNION COSTS ALREADY ADD TO THE SIGNIFICANT COSTS WITH UNDERTAKING THE PROJECT IN THE FIRST PLACE. IF THE COSTS ARE TOO HIGH, EVEN IF THE BUSINESS WANTS TO STAY IN THE CITY, IT MAY JUST DECIDE NOT TO DO THE PROJECT IN THE FIRST PLACE. AND THEN THE CITY MISSES OUT ON THE CONSTRUCTION JOBS (WHETHER UNION OR NOT). MOREOVER, WHEN A BUSINESS DOES SUCH PROJECTS, IT IS LOOKING TO EXPAND, SO IF THERE IS NO EXPANSION, THERE IS NO INCREASE IN PERMANENT JOBS. SO THE BILL CREATES A PRESENT AND FUTURE JOB LOSS.

EVEN WHEN LOOKING AT DISCRETIONARY PROJECTS, THE BILL MAKES LITTLE SENSE. FOR EXAMPLE, IDA PROJECTS FOR BUSINESSES OFTEN ARE WITH A "BUT FOR" ANALYSIS: BUT FOR THE TAX BREAK, THE

BUSINESS WOULD LEAVE THE CITY. BUT IF THE BENEFIT PACKAGE IS COUNTERBALANCED BY INCREASED COSTS FROM UNION WAGES, THE BUT FOR ANALYSIS SHIFTS AND THE BUSINESS LEAVES THE CITY. AND NOW THE CITY IS LEFT WITH A LOSS OF PERMANENT JOBS AND NO CONSTRUCTION JOBS WHATSOEVER.

FINALLY, BUSINESSES CERTAINLY DO NOT WANT TO BE INVOLVED WITH MASSIVE AMOUNTS OF PAPERWORK THAT THIS BILL REQUIRES FOR A BENEFIT THEY WILL NOT EVEN KNOW ABOUT UNTIL AFTER THE PROJECT IS COMPLETE. MOREOVER, THE IDEA OF THE AS-OF-RIGHT PROGRAMS WAS TO PROVIDE A SIMPLE PROCESS AND NOT CREATE A MASSIVE BUREAUCRATIC HEADACHE. MOST OF THE COUNTRY IS MOVING AWAY FROM UNNECESSARY EXCESSIVE REGULATION. THIS BILL DOES THE OPPOSITE.

ULTIMATELY, THE LAW SEEKS TO SHIFT THE ECONOMICS OF PROJECTS ASSUMING THAT THE PROJECTS WILL NOT BE HARMED. BUT AS I HAVE SAID IN THE PAST, THE COUNCIL CAN CHANGE A LOT OF LAWS, BUT IT CANNOT CHANGE THE LAWS OF ECONOMICS. THIS BILL WILL NOT DO SO EITHER AND INSTEAD OF HELPING THE CITY, IT WILL HARM IT. FOR THAT REASON, I URGE THE COUNCIL NOT TO PASS THIS PIECE OF LEGISLATION.



**Testimony
of
Joel Shufro, Executive Director
New York Committee for Occupational Safety and Health (NYCOSH)
October 28, 2013**

I am here on behalf of the New York Committee for Occupational Safety and Health (NYCOSH), a coalition of 175 local unions and more than 300 health and safety professions, concerned citizens and rank and file workers dedicated to every worker's right to a safe and healthful workplace to express our strong support for Intro 1169, the Safe Jobs Act.

Passage of this legislation is good public health policy. It would require that on contracts in which the City of New York provides subsidies that:

- The specific type(s) and amount(s) of subsidies and financial assistance
- The names and address of contractors providing g services on the project
- The specific types and number of jobs created by industry
- Legal violations of any of the proposed developers or contractors on the project including tax delinquencies, finds of violations of wage, anti-discrimination, health and safety or other local or state laws.

This bill will benefit workers in the construction, hotel and building service industry and will deal with conditions in each of those industries which pose significant safety and health hazards.

Construction

Construction is a dangerous industry. In the last year we have seen a dramatic and tragic upturn in the number of fatalities from 6 to 21. In past years for which we have data, over 67% of inspections conducted by the Occupational Safety and Health Administration (OSHA) of construction sites in New York State resulted in serious violations – that is a violation in which there is “ a substantial probability that death or serious physical harm could result and the employer knew or should have known of the hazard.” Violation rates were high statewide, but were highest in New York City. “Serious violations were found in 93% of inspections in Queens, 89% of inspections in State Island, 76% in the Bronx, 74% in Brooklyn and 72% in Manhattan..

Inspections of general contractors of commercial buildings, religious buildings and institutional buildings such as schools and hospital, violations were significantly more likely to be found in violation of OSHA standards in Queens, Brooklyn and Manhattan than upstate. Similarly inspections of residential general contractors of other than single family were more likely to violate OSHA safety standards in New York City than they were elsewhere in the state..

According to a report released just last week by the Center for Popular Democracy, the fatality rates among Latino/immigrant construction workers is much higher in New York City. For the period 2003-2011, they accounted for:

1. 74% of the fatal falls in New York City
2. 88 % of the fatal falls in Queens
3. 87 % of the fatal falls in Brooklyn

Violations of OSHA were less frequent among larger building general contractors than among smaller ones. There are numerous reasons why this is the case. Larger contractors are more likely than smaller contractors to implement effective risk

management programs and employ site safety coordinators that rigorously monitor worksites and ensure that violations are corrected. Workers for larger construction contractors are generally unionized and have had extensive safety training through accredited apprenticeship programs, know their rights under the OSHA law and are less intimidated about exercising them.. According to OSHA records, 75% of all workplace fatalities in 2012 in New York City happened on construction sites and 72% where the employers did not participate in state-approved training or apprenticeship programs.

Building Services, Maintenance, Security

Building Services

There are 2.3 million workers currently in building custodial services and more than 1.4 million maids and cleaners working in hotels and health care facilities. The risks these workers face primarily consist of: exposure to shiftwork, heavy lifting, prolonged standing, and regular bending, and exposure to body fluids, and other infectious and/or cleaning agents. Workers in these occupations are subjected to psychosocial stress, musculoskeletal disorders, infectious disease and dermatologic diseases, allergies, and respiratory diseases.

According to NIOSH, projected employment in custodial services is slated at 2.56 million and 1.5 million in cleaning by 2020.

Maintenance

Maintenance work is a high-risk activity with some of the hazards resulting from the nature of the work. Maintenance is carried out in all sectors and all workplaces. Therefore, maintenance workers are more likely than other employees to be exposed to various hazards. Maintenance and operations workers are exposed to a wide range of safety hazards as well. These include working alongside a running process and in close contact with machinery. During normal operation, automation typically diminishes the likelihood of human error that can lead to accidents. In maintenance activities, contrary

to normal operation, direct contact between the worker and machine cannot be reduced substantially - maintenance is an activity where workers need to be in close contact with processes.

Maintenance often involves unusual work, non-routine tasks and it is often performed in exceptional conditions, such as working in confined spaces. Working under time-pressure is also typical for maintenance operations, especially when shutdowns or high-priority repairs are involve

In addition to safety hazards, maintenance workers are exposed to a wide range of chemicals, including solvents, and biological hazards such as bacteria and mold.

Security Guards

Fatality and security guards working in the United were twice as likely to die on the job as all US Workers – a fatality rate of 7.4 per 100,000 full-time workers vs the 3.5 fatality rate for all workers according to a 2009 Bureau of Labor Statistics report. From 2003 to 2009, an average of approximately 70 security guards were killed on the job. The comparable numbers for correctional officers and jailers were 71 and 10.1 and for police and sheriff's patrol officers were 838 and 10.1.

About 1 million people worked as security guards in the United States in 2009, with 8,900 of them suffering a non-fatal injury or illness that caused them to miss at least one day at work. Employment of security guards also is expected to grow more quickly, 18.8 percent between 2010 and 2020, than the 14.3 percent projected growth for all occupations during the same period.

Enacting Intro 1169 would:

- enhance public safety and health on New York City construction projects
- provide more highly trained, skilled construction workers;

- Create employment opportunities for workers, expand the middle class and create economic stability;

The Safe Jobs Act will go a long way to prepare workers in these occupations to 1) recognize hazardous conditions, 2) to learn how to abatement the hazards and 3) to know their rights. It would ensure that that construction workers engaged on publicly subsidized or incentivized projects to complete a core curriculum of training from a state-approved apprenticeship program. It would provide opportunities for security guards and maintenance workers to receive safety and health training about the hazards they face on the job as well as have the opportunity to receive professional development

Furthermore, it would require greater accountability and transparency from those companies receiving public subsidies by requiring them to:

- i) Provide numbers and types of full-time and part-time jobs
- ii) Disclose violations of laws: wage and hour, discrimination, unemployment, workers' compensation, health and safety, others
- iii) List any pending bankruptcy proceedings
- iv) Disclose any convictions of violations(s)
- v) Disclose any other name(s) by which contractor has done business

Passage of this legislation is good public health policy. It will make the award of city contracts and programs which subsidize development more transparent, require that contractors employ highly trained and qualified workers, provide opportunities for educational development for those maintaining and protecting programs funded directly or indirectly by the City. It creates a high-road to the development of our City.



New York Hotel and Motel Trades Council, AFL-CIO • 707 Eighth Avenue, New York, NY 10036 • Telephone: (212) 245-8100 • Fax: (212) 977-5714

Testimony by Devin Maroney

Deputy Director of Political & Strategic Affairs, New York Hotel & Motel Trades Council

Meeting of the Committee on Economic Development

October 28, 2013

Good Morning,

I wanted to first take this opportunity to thank Chairman Koslowitz, and the members of this committee for taking up such important legislation. I'd also like to thank the lead sponsor of the bill, Councilmember Reyna.

My name is Devin Maroney and I am the Deputy Political & Strategic Director for the Hotel & Motel Trades Council. We represent 35,000 hospitality workers in the New York area.

New York City is a dynamic, growing city. It thrives because successive generations of New Yorkers have changed the landscape to accommodate new styles of living, new ways of working and new places for recreation. Development has been one of the keys to New York's success.

But there is a right way to build and a wrong way to build.

We know what the wrong way looks like. We have seen hasty development projects where the work is of low quality and the sites are dangerous. We have seen the tragic effects of unsafe construction. And we have seen taxpayers short changed when promised economic development and community benefits never materialize.

What this bill does is it takes concrete steps to ensure that when the city is involved, we will do things the right way. When New York City is financing a development with taxpayer dollars, we have the right to know the background of the developer receiving these funds and their history of doing business inside and outside of New York City.

When public funds are supporting a development, we have the right to full transparency about how the money is being spent and whether it's being used for its intended purpose.

And finally, when working men and women are putting their life on the line to build up our city, we should put their safety first by using only New York State recognized and approved apprenticeship programs. This not only keeps the workers safe, but it keeps the thousands of New Yorkers who will one day live and work in these spaces safe.

The Safe Jobs Act is an important step away from irresponsible development towards thoughtful, safe and transparent development. The Safe Jobs Act brings us closer to building up New York the right way.



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Terry Moore
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Vice President

Joseph Ramaglia
Vice President

TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE
IN SUPPORT OF INTRO 1169 – THE SAFE JOBS ACT

My name is Lenore Friedlaender. I am the Assistant to the President of SEIU 32BJ and the director of Build Up NYC.

In a few minutes you will hear from people who work for responsible employers committed to safe work places and real training and apprenticeship programs. But there are thousands of people who work under very different conditions. Today we are standing up for those workers.

For construction workers, hotel workers, building operations, maintenance and security workers – training and apprenticeship programs not only insure safer conditions for workers, but increased safety for the public as well.

Recently 32BJ recognized building service workers and I had the honor of recognizing a cleaner at PS 45 in Bushwick– who prevented an armed intruder who ran into his school from shooting kids, teachers and others who were in that school including his own son.

I have heard construction workers talk about how safety equipment has saved their lives as well as hearing stories about working without the proper personal protective equipment that they need.

Security officers put their lives on the line every day to protect the tenants in their buildings and the building property as well. Doorpersons and other residential workers are also on the front lines, protecting their tenants and buildings.

Our message today is simple. When we give developers public benefits to incentivize development, the workers should get something too – they should get a safe workplace. Every life is precious. Everyone is part of a family who depends on them, cares about them and needs them.

The most recent OSHA statistics make this so painfully clear. Last year 75% of all workplace fatalities happened on construction sites and 72% of those deaths occurred on worksites where the employers did not participate in state approved training and apprenticeship programs. We need to change those statistics and this legislation is intended to do that.

The second component of this proposed legislation is to insure increased transparency so we know exactly what form the economic incentives take and a little bit more about the developers receiving the public assistance. We should know if the developers have a record of complying with the law or not so we can reward those developers who play by the rules and insure a fair and level playing field.

Thank you for the opportunity to testify before you today.



**NEW YORK CITY
CENTRAL LABOR COUNCIL AFL-CIO**

President
VINCENT ALVAREZ

Secretary-Treasurer
JANELLA T. HINDS



October 28, 2013

Testimony to New York City Council Economic Development Committee

Hello, Chair Koslowitz, and members of the Committee. My name is Marco Carrion, and I am the Political and Legislative Director of the New York City Central Labor Council, AFL-CIO, and I'm here testifying on behalf of President Vincent Alvarez.

The Central Labor Council is in strong support of Intro 1169, the "Safe Jobs Act."

This legislation would help to increase safety, training, and transparency standards on construction projects receiving public tax dollars.

While we encourage initiatives to spur responsible economic development, we believe that taxpayers have a right to know how their money is being spent.

The guidelines introduced by Intro 1169 would lead to a safer New York for workers and residents. They would also allow for greater knowledge of the developers and contractors working on these projects, while helping to ensure that taxpayer-funded projects are built by reputable construction companies.

I urge you to support this valuable piece of legislation to help protect workers and taxpayers throughout our city.

Thank you.

Submitted by Marco Carrion, Political Director of the New York City Central Labor Council, AFL-CIO, on October 28, 2013 at the New York City Council hearing of the Committee on Economic Development.

BENKALLOS

— *Democrat for City Council* —

Memorandum of support from Ben Kallos, Democratic Nominee for City Council
in District Five for Local Law Int. 1169

I strongly support Local Law Int. 1169, also known as the Safe Jobs Act. In order to hold developers accountable and promote safe work conditions, we must demand transparency in economic development projects that receive city assistance.

There is currently insufficient public information available for developers who obtain subsidies and incentives from the city. The Safe Jobs Act will make it convenient to find government contract data on the city's website. It will be easier to access relevant materials such as wage violations, discriminatory hiring practices, and health and safety issues. This is of vital importance when determining which employers receive further financial aid from the city.

Construction safety is crucial in New York City and proper worker training is an essential part of that. The Safe Jobs Act highlights this issue. I have worked on similar legislation following the collapse of two cranes on the Upper East Side. Greater safety measures could have prevented both of these tragedies and others across the city. According to an OSHA report, 72% of all New York City construction fatalities occurred when employers did not provide New York State certified trainings and apprenticeships to its workers. The Safe Jobs Act would mandate specific training requirements be met, which would improve job safety. These programs must be free and available to all employees as proposed.

When it comes to spending our tax dollars, I believe that we should always strive for greater transparency and accountability. Through laws such as this one, we can create better oversight of those who receive city money. I am pleased to lend my support to the Safe Jobs Act, which represents needed improvements to monitoring economic development projects.

**Testimony to the New York City Council in support of Int. No. 1169-2013
known as the Safe Jobs Act. Testimony given on behalf of Ben Kallos,
Candidate for New York City Council (District 5).**

*Testimony delivered by Mike Corbett, Fellow for the Ben Kallos Campaign
October 28, 2013*

Good morning. My name is Mike Corbett. I am a fellow on the campaign of Ben Kallos, candidate for New York City Council (District 5) and I am here today to deliver the following testimony on his behalf:

I am pleased to support passage of Int. No. 1169, known as the Safe Jobs Act. I would like to begin by thanking the members of the City Council for proposing such legislation. The passage and further implementation of this law will be beneficial to quality control of economic development here in New York City. I believe is imperative to the public good that information on development projects be readily available and accessible to the people of this great city. This morning I will highlight specific points in the language of the bill which I believe are most important. In addition, I will give the council recommendations to strengthen the law as it has been proposed.

At the core of the Safe Jobs Act is greater transparency, which is something I have championed for years. When it comes to information about economic developments which have received public assistance, as the bill itself states, "there is insufficient disclosure to the public." It should be required that any and all information about the recipients of taxpayer funded subsidies be readily available to the public. I believe that doling out corporate welfare should not be done without such information this law provides for. The bill specifically requires publication of shareholder information for any contractor or subcontractor who receives financial aid. This also includes allowing the public to be aware of any violations contractors and subcontractors commit. These include wage, discrimination, unemployment, workers compensation, health and safety violations, or any such laws which have been broken within the last ten years on the local, state, or federal level.

There is a serious problem with development projects in New York City being done by untrained or poorly trained workers. This leads to a greater chance of accidents and even death on the job. According to an OSHA study published earlier this year, 72% of all construction fatalities which occurred in fiscal year

2012 were the result of employers whose workers did not participate in state certified trainings. This is why I applaud the inclusion of mandatory trainings and apprenticeships in the Safe Jobs Act. In particular, I place great importance on apprenticeships, which provide an employee with paid on the job training in a particular craft. This hands on instruction helps workers learn their trade in a faster, more efficient manner. In addition, there is a provision for classroom instruction if needed. I believe a well-trained worker is one who is less likely to make mistakes which in turn lead to a better, safer product when completed.

This powerful piece of legislation can be strengthened by the following:

- Section c-1-iv (which is mislabeled in the bill as the first v): expand to any and all leases for hospitality service
- Section c-2-ii: include information on capitalization and years of existence
- Section d-2: include the City Council and the corresponding committee as monitors for compliance
- Section d-3: include reporting to the City Council as well as the Mayor
- Section d-6: include the Comptroller
- Section d-7: change from 3 to 6 years prior to the filing of the complaint
- Section e-1: change to allow simultaneous claims and leave remedy for employees or employee organizations

In conclusion, I believe the passage of the Safe Jobs Act will be a progressive step for transparency in government. This law will lead to safer construction through training and better contractors through disclosure. The Safe Jobs Act will reduce waste and allow our tax dollars to be spent wisely. Legislation such as this will help bring jobs to our community which pays a living wage, something this city desperately needs. I strongly support Int. No. 1169-2013, the Safe Jobs Act and implore the City Council to pass this bill as expeditiously as possible. Thank you for the opportunity to testify this morning.

Testimony before the New York City Council in Support of Legislation Establishing Training and Transparency Requirements for Certain City Development Projects Receiving City Financial Assistance

Testimony of Sarah Johnson on behalf of the Working Families Party before the New York City Council Committee on Economic Development in support of Intro No. 1169.

October 28, 2013

Good morning and thank you for the invitation to testify before you today. My name is Sarah Johnson, New York City Elections Director of the Working Families Party, a progressive third party founded in 1998 in New York to support and advance issues important to working and middle class families – including good jobs, affordable housing, and responsible development.

Every year, New York City spends over \$2 billion to promote economic development and job creation through a variety of discretionary and as-of-right programs and tax breaks. The city has a robust opportunity now to use these funds to hold private developers to high standards of transparency and safety and improve the lives of New York's working families.

The reforms in the proposed legislation before us would result in development jobs that are significantly safer in the workplace and the use of contractors who adhere to the law, have basic safety and training programs, and hold good health and safety records. The legislation is thus a common-sense improvement to the transparency of development projects receiving public money, and an assurance that jobs funded with the assistance of public dollars would comply with accepted standards of safety.

The Working Families Party supports the legislation because it will help keep New York's working families safe and improve job training and prospects for contracting employees to lead to long careers.

In the absence of transparency and safety standards in the disbursement of New York's economic development subsidies, the city forgoes a critical opportunity to collect valuable data and improve recipient reporting, leaving the city's agencies unable to answer questions about how this money gets allocated or how much employment is actually generated through these incentive programs. Increased transparency regarding the developer and contractor and their work leads to better decisions with where and how New York City taxpayer dollars are being spent.

Any review of the city's past economic development incentives will likely conclude that large projects that have received such allocations before, such as the new Yankee Stadium, the Bronx Gateway Mall, and Fresh Direct, have mostly produced very low-wage or minimum wage jobs in concession, retail, security, and the like. Increasing transparency and reporting requirements, as the legislation seeks to do, would better enable New York to put money more effectively towards development projects that produce living wage jobs for New York's working families.

The proposed reforms also take on a particular urgency in light of the recent escalation in the number of construction related fatalities from 6 in 2011 to 21 in 2012. The required participation for employers to state approved training and apprenticeship programs are a necessary first step. The professional development in the legislation also builds valuable skills for these workers.

The benefits of the legislation are clear—better use of taxpayer dollars and safer jobs for New York's working families. I strongly encourage the City Council to pass this legislation.



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TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

IN SUPPORT OF INTRO 1169 -- THE SAFE JOBS ACT

Good morning Chairwoman Koslowitz and distinguished committee members. My name is Loretta Swindell and I am a member of Construction and General Building Laborers Local 79.

I am pleased to have this opportunity speak to you today on behalf of Intro 1169. This bill is very common sense. All it does is say if you're going to take public assistance in the form of subsidies to build a project, then you should do two things: one, tell the public what you are doing with their money. And two, if you're going to take their money give something back to the public by providing real training for your workers. This puts people on a career path instead of sticking them in a temporary dead end job.

I myself am a product of one of these programs, and my life has completely changed for the better because of it. I graduated as a Construction Craft Laborer from the Mason Tenders' Training fund and I'm qualified to work on any construction project in New York City, from a one-story storefront to a 100-story tower.

I'm sure I don't look like what you think a typical construction worker looks like, but if you visit the training fund you might be surprised. Most of the people in the program are black or Latino and quite a few are women.

I'm sure you'll hear from people opposed to this law who will say that it's just about unions trying to grab all of the jobs for themselves. But that is not the case. There are non-union laborer training programs and workers who don't have any training opportunities at all. We're here for them.

All this proposed law is saying is, if you're going to take the public's money tell the public what you're doing with their money and give some opportunity back to the public by using some of their money that you happily took to provide career opportunities.

It's a smart use of the public's money and it's simply the right thing to do. You take the subsidy and the building gets built. Why does that have to be in the story? Why can't it be you take the subsidy *and* the building gets built, *and* you provide a pathway out of poverty for folks in the community, *and* you end up with a better building because of the use of trained workers?

It's a win-win-win. Who could be opposed to that? I urge you to pass intro 1169 with all due haste.

Thank you.



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NYC Housing Partnership Testimony on Intro 1169

Hearing of the New York City Council on Economic Development

Good Morning,

My name is Daniel Martin President of the Housing Partnership Development Corp. commonly known as the NYC Housing Partnership.

I would like to thank the Committee on Economic Development for the opportunity to testify today on Intro 1169.

By way of background The New York City Housing Partnership (Housing Partnership), a 31-year-old not-for-profit affordable housing agency located in New York City, serves as the City's primary intermediary for the development of affordable housing, our mission is to lessen the burdens of government providing technical & financial support for the development and preservation of affordable housing to revitalize distressed neighborhoods. These efforts have assisted in the development and/or preservation of over 40,000 affordable homeownership and rental units throughout the five boroughs and leveraged more than \$6.5 billion in private sector financing.

We at the Housing Partnership are concerned that perhaps while well intentioned this legislation will have a negative impact on the small developer, contractor and the overall ability to develop and preserve affordable housing while the need is continuing to grow.

Apprenticeship agreements: Intro 1169 requires that any contractor or subcontractor performing work on a City development project have apprenticeship agreements which have been registered with and approved by the New York State Department of Labor (DOL) in accordance with Article 23 of the New York State Labor Law. This will require virtually all affordable housing projects to be subject to this mandate. The provisions for qualifying apprenticeship agreements will make it impossible for many of the businesses that currently work on affordable housing to be in compliance.

In our 30 year history many of our homes have been built by small community-based businesses that employ local, New York City residents. On larger sites our developers utilize the same sub-contractors for decades. These are skilled people in their trade – companies that have insurance as well as required trainings and certifications to safely and competently complete these jobs. However, as small businesses they do not have the intensive resources that would be required to develop and register an apprenticeship program with the DOL. At a time when NYC is trying to increase MWBE business this will have the opposite effect.

For those developers that may have the resources to establish an apprenticeship program the wait time may be one to two years if they were to be approved, there-by stopping the development of affordable housing and potentially putting many small developers and subs out of work.

Cost impact on affordable housing: In a time where subsidy dollars for affordable housing is shrinking and the demand for affordable housing is growing this legislation is adding a tremendous cost to development. Mandating apprenticeship agreements for every contractor and sub will add significantly to the cost of developing affordable housing. In addition, there are a limited number of entities that run or have access to these DOL approved apprentice agreements, the vast majority of which are trade unions. This legislation basically locks out hundreds of small businesses that rely on affordable housing and other construction industries for their livelihood. While the goal may be enhancing education and training it should not be done at the expense New York City's small businesses, and to the detriment of such an urgently needed resource as affordable housing.

Punitive penalties for non-compliance: Intro 1169 outlines harsh penalties for any covered developer found to be in violation of its provisions. This includes a provision in which non-compliant covered developers can be ordered to repay up to 25% of the total financial assistance awarded. This will stop a project cold. As a former banker I would be extremely hesitant to finance any project that had such a severe penalty. I would further assume tax credit investors or even NYCs bonding entity the Housing Development Corp would be unwilling to finance projects under this provision. This will cut deeply into the City's ability to produce affordable housing, and the resulting public benefits of affordable units; economic activity and jobs will be lost, as affordable housing projects will simply not move forward without these financing sources.

Onerous reporting requirements: Affordable housing as well as economic development is already buried on a mountain of reporting. Projects and budgets are reviewed by HPD HDC OMB on the business side through EDC SBA 504 JDA as well as the lending institution plus a structural engineer reviews all material cost estimates for validity and we already have 25 page disclosures for all parties which includes a full history credit report, and a LexisNexis. This legislation is just adding increased reporting requirements on affordable housing projects that will increase costs and raise barriers to entry into the industry. This legislation is harming small business rather than encouraging their development and growth of business.

We believe there is a growing demand for affordable housing in NYC. It is commendable that the Council wants to increase education among the building trades workforce and we would be happy to work with them on that goal but this legislation would stop the production of affordable housing and those who build and preserve it.

Daniel Martin, President, Housing Partnership Development Corp

646 217 3372

Testimony before the New York City Council in Support of Legislation Establishing Training and Transparency Requirements for Certain City Development Projects Receiving City Financial Assistance

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The reforms in the proposed legislation before us would result in development jobs that are significantly safer in the workplace and the use of contractors who adhere to the law, have basic safety and training programs, and hold good health and safety records. The legislation is thus a common-sense improvement to the transparency of development projects receiving public money, and an assurance that jobs funded with the assistance of public dollars would comply with accepted standards of safety.

The Working Families Party supports the legislation because it will help keep New York's working families safe and improve job training and prospects for contracting employees to lead to long careers.

In the absence of transparency and safety standards in the disbursement of New York's economic development subsidies, the city forgoes a critical opportunity to collect valuable data and improve recipient reporting, leaving the city's agencies unable to answer questions about how this money gets allocated or how much employment is actually generated through these incentive programs. Increased transparency regarding the developer and contractor and their work leads to better decisions with where and how New York City taxpayer dollars are being spent.

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The proposed reforms also take on a particular urgency in light of the recent escalation in the number of construction related fatalities from 6 in 2011 to 21 in 2012. The required participation for employers to state approved training and apprenticeship programs are a necessary first step. The professional development in the legislation also builds valuable skills for these workers.

The benefits of the legislation are clear—better use of taxpayer dollars and safer jobs for New York's working families. I strongly encourage the City Council to pass this legislation.

NAACP NEW YORK STATE CONFERENCE
1065 Avenue of the Americas, Suite 300 * New York, New York 10018

**Testimony before the Committee on Economic Development of the New York City Council
Regarding Intro 1169, on Establishing Training and Transparency Requirements for Certain
City Development Projects Receiving City Financial Assistance**

Dr. Hazel N. Dukes
President, NAACP New York State Conference

October 28, 2013

Good morning Chairperson Koslowitz, Council Member Reyna and members of the Committee on Economic Development. My name is Hazel Dukes, and I am the President of the NAACP New York State Conference and a member of the NAACP National Board of Directors. As you may know, The NAACP New York State Conference has been a vital programmatic component of the National Association for the Advancement of Colored People for 77 of the 104-year history of the oldest, most effective and most respected civil rights organization in the Nation. Thank you very much for giving me the opportunity to testify in opposition to Intro 1169, which I believe will be very damaging to the communities that I have worked to promote for many years.

The NAACP has been working for decades to ensure economic equality for all people regardless of race, including advocating increased job opportunities for minorities and M/WBE firms. This legislation will work in direct opposition to our efforts in this area. Intro 1169 will require that all contractors and subcontractors working on covered projects have apprenticeship programs for their employees. Due to the cost and difficulty of setting up a New York State-approved apprenticeship program – they can take one to two years to create and another three years before apprentices are eligible to work on City projects, and the process takes piles of paperwork and not insignificant costs – these programs are generally only offered by unions. As a result, this bill would virtually require that all contracts and subcontracts on projects be union labor. If the City Council is serious about its stated goal of increasing M/WBE participation in City projects, you must not pass this legislation as drafted.

As you know, M/WBE's are typically smaller and newer companies, which are under considerable financial constraints. These firms would be unable to devote the time and resources necessary to create approved programs, and they will be effectively barred from participating in City-sponsored projects. In a City where "minorities" are now the majority, it is unconscionable that M/WBE's only receive 3.9% of the value of the City's contracts. Given the high rates of unemployment in minority communities – nearly double that of white communities – we need to do everything we can to make these jobs and contracts available to the people that need them the most.

In addition, the legislation will require contractors and subcontractors to disclose the names of any employees who have any type of local, state or federal conviction within the last 10 years. This would be a major disincentive for contractors participating in work reentry programs, and would make it much less likely that employers would be willing to offer jobs to workers with prior convictions who are struggling to rejoin the workforce. This provision must be clarified or ideally, removed so as not to make the transition from prison even more difficult for those who are already struggling to take this difficult step.

Instead of these provisions, which would have a major negative effect on communities of color in New York City, I would like to propose that the Council focus on legislation that promotes local participation in projects, which can simultaneously be a way of increasing M/WBE participation. Developers, property owners and general contractors should be required to ensure that a minimum of 35% of the workers performing each phase of the design, construction, operation and maintenance of buildings are residents of the local Community District where the project is located. This type of requirement would help to address the high rates of unemployment in minority communities and difficulty in promoting M/WBE participation, while helping the previously incarcerated or convicted and ensuring that local residents are able to see benefits from City-funded projects in their neighborhoods.

Thank you again for allowing me to speak on this topic. I'm happy to answer any questions that you might have.



Louis J. Coletti
President & CEO

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TESTIMONY IN SUPPORT OF
INTRO 1169
TO
NYC COUNCIL COMMITTEE
ON
ECONOMIC DEVELOPMENT

OCTOBER 28, 2013

LOUIS J. COLETTI
PRESIDENT & CEO
BUILDING TRADES EMPLOYERS' ASSOCIATION



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Louis J. Coletti
President & CEO

Good morning Chairman and Members of the Committee. My name is Louis Coletti and I am President of the Building Trade Employers Association, an organization representing 28 union contractor trade associations made up of 2,000 construction managers, general contractors and specialty trade contractors doing business in the City. BTEA members are employing 25,000 project managers and support staff as well as over 100,000 skilled members of the building trade unions in New York City. Simply put, the BTEA contractors are the construction community of New York City.

The most important concern of BTEA contractors is that at the end of the workday, each and every single member of its workforce goes home safely to his/her family.

BTEA contractors invest over \$ 100 million of their own money per year with their respective Building Trade Unions in establishing and maintaining training facilities in this city just for these reasons.

Now is the time to establish standards that all contractors are held to in protecting their workforce and providing their workers with the financial ability to live and raise their families in New York City.

Now is the time to reward, not penalize contractors who invest in their workforces to protect them and the public in building both a better project and a better City.

Now is the time to pass Intro. 1169.



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Current state procurement law requires that public contracts be awarded to “responsible contractors”. However, the reality is rare for a public agency to ever invoke this clause, why?

That is because the threshold in making that determination is extremely grey and subjective.

This legislation would put more teeth into protecting the interests of the public, the worker and the contractors performing the work.

Why shouldn't projects receiving public incentives be required to pay prevailing wages such as the law currently provides for all other public works which are financed by taxpayer dollars?

Why shouldn't the contractors selected to build these projects with public incentives be required to prove they have a workforce which has the sufficient skill and safety training to ensure this tax incentive is worth the investment of taxpayers and protects the public safety and welfare as well?

Just look at the facts: according to the U.S. Department of Labor Occupational and Safety Administration, 75% of construction fatalities in New York City occurred on non-union job sites—72% on construction sites where the contractors involved had no affiliation with a NYS Approved Apprentices Program. These statistics show that from 2003-2011 74% of the individuals who died on a construction site in NYC were either U.S. born Latinos or immigrants.



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President & CEO

This legislation would protect their lives and provide them with the ability to earn a decent living from their work. The Building Trades Employers' Association strongly urges this Committee and NYC Council to adopt Local Law 1169.



FOR THE RECORD



Supportive Housing Network of New York

initial testimony regarding

New York City Council Intro 1169 Local Law to amend the administrative code of the City of New York, in relation to establishing training and transparency requirements for certain city development projects receiving city financial assistance.

October 28, 2013

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The Supportive Housing Network of New York appreciates the opportunity to submit this initial testimony on City Council Intro 1169, legislation to amend the administrative code of the city of New York, in relation to establishing training and transparency requirements for certain city development projects receiving city financial assistance.

This is our initial response to City Council Intro 1169. We request additional time to analyze the intent, effects and consequences of the legislation. Having learned of the hearing less than a week ago, we have not had adequate time to understand how it will affect our members who develop and operate affordable housing. Considering the abbreviated timeframe from the bill's introduction to public hearing, we request the opportunity to testify at a later date.

The Supportive Housing Network of New York

The Supportive Housing Network is a member organization representing over 220 nonprofit organizations that build, manage and provide services in more than 47,000 permanent supportive housing apartments throughout New York State, including approximately 30,000 units in New York City. Supportive housing – affordable housing linked to on-site services and supports – is the solution to ending the homelessness of individuals and families with disabilities and other barriers to independence, by providing them with affordable housing linked to on-site services and supports that help them remain stably housed, participate in employment or other meaningful life activities, and become as independent as they can be.

In addition to the many benefits to homeless and disabled tenants, verified by numerous independent studies, supportive housing also strengthens communities:

- Supportive housing improves neighborhoods. An independent study by the New York University School of Law's Furman Center for Real Estate found that the value of properties surrounding supportive housing rose higher and more quickly the closer those properties were to newly-developed supportive residences, which often replace of abandoned buildings, vacant lots and other neighborhood disamenities.

- Supportive housing residences financed by the NYC Department of Housing Preservation and Development (HPD) reserve 40% of their units for low-income, housing-needy residents in the communities in which they are built.
- The vast majority of new supportive housing residences financed by HPD require that workers be paid prevailing wage rates. Many of these projects hire union workers.
- Mission-driven, nonprofit supportive housing developers typically require that contractors and subcontractors hire a minimum percentage of construction staff from the community surrounding the worksite.
- Once open, a central component of the supportive housing model is to hire and train building residents (many of whom are disabled) for front desk, porter, superintendent and other jobs.

The Network's members aim to provide safe, livable and affordable housing and increase opportunity for homeless people. And because they are nonprofit, and subscribe to a broader mission to expand social justice, the Network and its members are committed to quality construction, worker safety, fair wages, transparency and opportunities for upward mobility. However, while these may be the objectives of Intro 1169, we are not sure that the legislation achieves these goals.

Moreover, we are concerned about the potential adverse impacts and unintended consequences of Intro 1169. It is highly possible that the proposed legislation could slow and reduce development of desperately-needed permanent housing for homeless and housing-needy New Yorkers.

It is incumbent on all of us to explore and fully understand all possible outcomes if this legislation is passed as written. The list of questions we have about potential impacts is long, and includes:

Training Capacity

- What training capacity currently exists? Is there enough to immediately absorb all the workers on all the projects newly required to offer training and apprenticeship programs? It appears that lack of training capacity may be a real challenge, made more pressing because the legislation apparently requires immediate adherence to the law when passed.
- What is required of developers, contractors and sub-contractors who want to establish their own training programs? We have heard that it takes 18 to 24 months to get Department of Labor (DOL) approval for a new training program, followed by two more years of following substantial requirements to complete a probationary period. Does DOL have adequate capacity to approve and monitor the new programs and additional trainees?

- If the capacity is not there, will supportive housing developers, contractors and subs be required to rely on existing union-sponsored training programs, which in turn require employees to be union members?

Supportive Housing Network of New York – Testimony on NYC Council Intro 1169 – p. 3

Effects on Development Costs

- If supportive housing developers are required to hire all union members to build and rehab supportive housing, how much will this add to the cost of building a supportive housing unit? Will the legislation reduce the pool of eligible workers and impose additional work rules, increasing costs?
- If higher development costs do result, how many fewer supportive housing units will be built, or conversely, how much more money must be budgeted to cover the additional cost to meet existing and future production targets?
- If fewer supportive housing units are produced (which is the more likely outcome), how much additional public spending will be required to pay for the increase in shelter, psychiatric center, emergency room, hospital and other public costs associated with placing fewer homeless and disabled people in supportive housing each year?

Other Social Impacts

- How will the legislation's new requirements affect our developers' ability to hire residents from the surrounding communities in which they develop?
- What will be the legislation's effect on smaller and MWBE contractors and subcontractors?
- How will the legislation's inclusion of building service workers affect supportive housing providers' ability to hire disabled or otherwise disadvantaged supportive housing tenants? Hiring our own to part-time and supported employment is a central component in the success of the supportive housing model – will the legislation's new rules curtail our ability to hire tenants with little or no work experience?

Effect on Program Operating Costs

- How will nonprofit providers pay for the additional costs of providing training, apprenticeships, and perhaps union wages to building service employees? Despite rising operating expenses, supportive housing providers last received a (quite modest) contract budget increase eight years ago – will the City Council fund an increase this year to cover the additional associated costs?

Monitoring and Enforcement Issues

- At first glance, it appears that the proposed legislation's disclosure requirements are overly broad and perhaps duplicative of other reporting systems. Recognizing that the City Council just recently passed Local Law 44, a comprehensive transparency

law for affordable housing development, would it make sense to see how that is working before we pass another?

- The legislation appears to propose fairly severe penalties for non-compliance, including stop work orders, and requiring the rebidding of project work during construction. What affect will these have on project insurance costs? To what extent will they inadvertently delay projects, adding to development costs?

Again, I apologize that we at the Supportive Housing Network of New York do not have more information about the issue at hand, and can only ask questions at this time. But we have heard widely differing opinions on construction labor issues like the ones addressed in this bill. There is no clear, independent or consensus evaluation of the fiscal and socio-economic effects of this legislation.

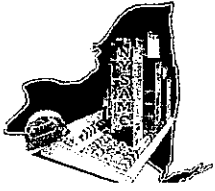
Before this bill proceeds any further, we urge you to invest in an in-depth, knowledgeable assessment of all of its impacts. In the same way that the Congressional Budget Office scores the costs of every bill considered by Congress, we need the Independent Budget Office or some other independent entity with expertise to evaluate the real-world effects of passing this legislation. It would help us all if all sides could sit down together and agree on the relevant facts and figures.

Without understanding exactly what this legislation would require and what it would accomplish, those of us who value progressive goals will continue to struggle to find a fiscal and moral balance between achieving safe workplaces and upward mobility for workers on the one hand, and effectively and efficiently addressing tremendously damaging social ills like homelessness on the other.

It is especially important that we understand the full ramifications and costs of the legislation now, when we know that the next mayor is committed to implementing an ambitious affordable housing development. Such a plan will be very challenging to achieve with the resources currently available, under the work rules presently in place. If Intro 1169 significantly adds to the cost of building that affordable housing, we need to know that now, before the Economic Development Committee votes on this legislation. We owe it to the 57,000 homeless New Yorkers who so desperately need this housing, and we owe it to the next mayor who will be responsible for meeting their need.

Thank you for your time. I hope you will allow the Network to present more complete testimony as more information on this legislation is gathered.

For comments or additional information, contact Johanna Walczyk at the Network at jwalczyk@shnny.org or 646-619-9640.



*New York State Chapter of the National
Association of Minority Contractors, Inc.*

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Committee on Economic Development
Hearing on Intro 1169
October 28, 2013

Testimony by Lennox O. Britton, President & CEO, NYSAMC

Good morning. My name is Lennox Britton and I am here representing The New York State Chapter of the National Association of Minority Contractors (NYSAMC), a non-profit corporation established in 1989 with the mission of advancing and promoting the mutual interests of minority and women contracting firms based in the State of New York. We are the NYS Chapter of the National Association of Minority Contractors, which is headquartered in Washington DC. NYSAMC membership consists mainly of minority and woman owned firms in construction and related industries throughout New York State.

I would like to thank Chair Koslowitz and the members of the Committee on Economic Development for the opportunity to testify today on Intro 1169. We recognize the intent of Intro 1169 to provide educational training opportunities for construction workers to ensure high quality products and safe conditions on city supported development sites. We look forward to working with the Council to identify ways to achieve those goals that are inclusive of minority and women contractors. However, NYSAMC is gravely concerned with the impact Intro 1169 would have on minority and women contracting firms in New York City.

For years, the City Council has recognized the need to expand participation by minority and women owned firms. We thank you for those efforts, such as the recently passed amendment to Local Law 129 that helps these businesses be more competitive for city contracts. However, Intro 1169 would be a huge setback for minority and women contractors when it comes to their ability to compete for projects that receive financial assistance from the city. Many minority and women contractors will simply be unable to comply with the onerous demands of Intro 1169 and will no longer qualify to work on these projects.

Intro 1169 adds substantial administrative burdens and barriers to qualifying for city assisted projects for small contractors. The bill requires all employers on these projects to provide a Department of Labor approved apprenticeship program, which are predominantly controlled by unions and to which many minority and women contractors do not currently have access. The development, registration, and approval of the required apprenticeship program is a lengthy and costly process that most of our members do not have the resources to undertake. Even those that might have the resources to do so cannot wait the one-to-two years it currently takes to receive this approval before they get back to work under Intro 1169.

Intro 1169 will also add a substantial administrative burden with its extensive disclosure requirements. This is particularly distressing given the fact that not one of the disclosure requirements relates to participation by minority and women contractors. Minority and women contractors already face a double bind when it comes to their ability to compete and grow their businesses. They need to be a certain size to compete, but if they become too successful, they no longer qualify for the state program that supports MWBEs, which often is paired with city incentives. Minority and women contractors already face steep

barriers, and many simply cannot support the added administrative cost that Intro 1169 would impose.

Instead of furthering opportunity for minority and women contractors, Intro 1169 levels a crushing blow. The legislation's onerous training and disclosure requirements will severely limit opportunities for minority and women contractors to participate in city assisted developments. These are qualified and competent businesses that the City Council should be doing everything in its power to support. If the Council is truly interested in increasing minority and women participation in city development projects, it should focus on increasing diversity instead of creating more barriers. To this end, NYSAMC opposes Intro 1169 and strongly urges the Council to consider other means of enhancing workforce development that will not have such a profoundly negative impact on minority and women contractor participation in city assisted projects. We look forward to working with the Council to achieve those goals. Thank you again for the opportunity to testify today.

My name is Nancy Lepre. I am the principal of Avante Contracting Corp., a full service general contractor, and Abracadabra Painting Company, a painting specialty subcontractor. I would like to thank Chair Koslowitz and the members of the Committee on Economic Development for the opportunity to testify today on Intro 1169.

I am a registered WBE and have been in business for over 30 years. We are a Better Business Bureau accredited business with A+ ratings. Much of my business is made up of affordable housing. Despite a consistent track record of providing high quality services for over 30 years, under Intro 1169 I would no longer have access to work on construction projects that make up much of my company's business because I would be unable to provide my workers with the mandated Department of Labor apprenticeship program.

This bill will be crippling to small businesses like mine. I employ skilled craftsmen, many of whom I have employed for many years. They possess the necessary skill set and certifications to do the high-quality work for which my companies have been recognized. While I have a decently strong back office, we simply do not have the resources to develop the apprenticeship program required in Intro 1169, and then wait a year or more for it to be approved by the Department of Labor in order to get back to work. The subcontractors I work with are also small businesses – many are also M or WBEs – who are highly skilled in their craft, but lack the resources necessary to comply with the demands of Intro 1169 as well.

I have done several prevailing wage projects in the past and have tried to put employees in the apprenticeship programs that would be mandated under Intro 1169. These programs are run almost exclusively by the unions, and each time I have tried to place an employee in one of these apprenticeship programs, I have been denied. My business and small businesses like mine – many M and WBEs - simply do not have the access to these programs that would be required for us to continue to be eligible to work on city supported projects. It would deny us the opportunity to work on projects that for years have been at the core of our businesses. It would also put many of us out of business.

I recognize the Council's objective to increase access to training opportunities for construction workers and to ensure a high quality product and safe working conditions on city supported projects, but Intro 1169 is not the way to do that. Instead, it will put many small businesses – the little guys that are already struggling to stay competitive – out of work. I urge the Council to reconsider Intro 1169 and explore alternative ways of achieving its goals that will not be so irreparably damaging to small business.



TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

IN SUPPORT OF INTRO 1169 – THE SAFE JOBS ACT

Hello my name is Joe Carter. I would like to thank the Councilwoman and members of the Committee for dedicating your time and attention to convening this needed hearing.

Currently, I work at 111 8th Avenue as a security officer. I take my job very seriously and I know that the hardworking people in my building depend on me to ensure that I am up to task of protecting them from the many dangers that come with working in a big city. The potential dangers that I face on a daily basis are very real. As a father and main breadwinner, nothing scares me more than knowing that if something happens to me, my family would be in great peril. That being said, I take great pride in my work and wake up every day ready to do the best job possible.

Being a security officer for 9 years and a construction worker before that, I feel qualified to tell you that ongoing training is crucial to performing my duties; protecting employees as well as the public in general. Hardworking New Yorkers deserve to know that when they go to work they have someone who has been trained to do their job safely.

With 75% of workplace fatalities in New York City happening on construction sites, it's reasonable to require that developers and contractors receiving public subsidies make an investment in increasing safety standards by offering no cost professional development and job training necessary to ensure that the workers and the people that we protect, are safe.

I am here today to testify in favor of the Safe Jobs Act, bill # 1169 which if made law, will make worker safety a priority. This bill requires that only New York State recognized and approved apprenticeship programs, are used for training. A safe work site means a safer New York, not just for workers but for everyone.

Thank you.



TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE
IN SUPPORT OF INTRO 1169 – THE SAFE JOBS ACT

25 W. 18th Street
Fifth Floor
New York, NY 10011
347-201-2049

Gary LaBarbera
President

Michael Fishman
Secretary-Treasurer

Terry Moore
Vice President

Robert Bonanza
Vice President

Joseph Ramaglia
Vice President

My name is Maria Espinal. I am a carpenter and a member of millwright local union 740. I urge you to pass this legislation because safety on the job is important.

I attended and graduated from the 4 year apprenticeship program at the Labor Technical College of the NYC District Council of Carpenters. As part of my apprenticeship I have obtained numerous skills and safety certifications. And have acquired others by attending additional safety and skills training such as, OSHA 10 , fire guard and torch operator, suspended scaffold user. I also have a NYC Department of Buildings issued welder's license.

I believe these training and safety classes save lives, of both workers and the public. The construction Industry is one of the most dangerous industries. Every day I am putting my life, the life of my co-workers and the lives of the public at risk. When I am performing a welding task on a scaffold 200 feet in the air it is important that I have taken all safety precautions such as wearing a body harness that is properly tied off, and it is important that I have protected others from exposure to fumes and sparks. I rely on my co-workers to be properly trained as well. I need to trust that the scaffold is safe before I even get on it. Accidents will happen. The training I and my co-workers have received gives us the chance to reduce the likelihood of bad events occurring. I hope you pass this important legislation that will help in saving lives.

This legislation will help insure that all workers get the safety training they need to protect themselves, their co-workers and the public.

Thank you for the opportunity to testify today.



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TESTIMONY BEFORE NY CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE
IN SUPPORT OF INTRO 1169 – THE SAFE JOBS ACT

My name is Carol Raftrey. I have been an iron worker for 21 years. I attended my union's training and apprenticeship program and I am now an instructor in that program. I teach first year apprentices and I always stress how important it is to work safely.

When I first started working, I saw an accident that still haunts me to this day. I saw a panel that may have weighed as much as 2 tons being hoisted up on a job near the job I was working on. It broke free and fell to the ground crushing a delivery truck completely. I had just watched the driver get out of the truck when the panel hit – fortunately he escaped without being harmed. It really made me understand that all the training we receive is not only about protecting ourselves as workers but also protecting the public.

The training I received helped me realize that I am not invincible and that we have to be prepared for things to go wrong at any time. Sometimes when we are young, we feel invincible. The training also stressed how important it is to work as a team and to point out potential safety hazards and dangers on the job.

Sometimes when workers don't have the training they need, and the employer is pushing to get the job done, the employer will push the worker to work in unsafe conditions, risking the worker's and the public's safety.

This legislation will help insure that all workers get the safety training they need to protect themselves, their co-workers and the public.

Thank you for the opportunity to testify today.

Testimony of The Briarwood Organization on Intro 1169

October 28, 2013

Good Morning. My name is Vincent Riso, I am a founding member of the Queens & Bronx Builders Association and the managing member of The Briarwood Organization. We are here today to testify in opposition to Intro 1169.

We have successfully completed over 3,500 affordable units in NYC.

All of these units were constructed with non-union workers.

Construction fatality data in New York City does not indicate that imposing union or prevailing wages on affordable housing construction would result in fewer construction-related fatalities, or improve construction quality. These wages would add 25% to the cost of a unit

The higher wages that would result from imposing union or prevailing wages on affordable housing would be less likely to benefit black and Latino construction workers, and may well cost many of them their jobs. Union or Prevailing wage jobs are higher-paying jobs; but higher-wage workers are disproportionately white.

As an example, let us take an affordable housing project that costs \$250,000 per unit to build. A 25% increase in the cost of that unit would increase the cost by \$62,500 per unit to \$312,500. To amortize the additional \$62,500 would cost about \$400 per unit per month. This rent would be required to support the increased debt service attributed solely to the imposition of union or prevailing wages. That amount would have to be covered with additional subsidies. An increase of \$400 per month in rent requires an additional income of about \$16,000 per year per family. Thus, a low income family of four, making \$35,000 per year, who could have afforded an apartment renting at \$875 per month, would now find that that same apartment would cost \$1,275 per month. This makes providing housing for lower income families far more difficult.

Subsidies are usually in the range of \$40,000 to \$60,000 per unit. To cover the increased construction cost of \$62,500, and keep the apartment affordable to the same income group, subsidies of \$62,500 per unit would be required. Assuming no additional funds were to be made available, the number of units

of housing currently produced in non-prevailing wage projects which require these subsidies, would be reduced by more than half.

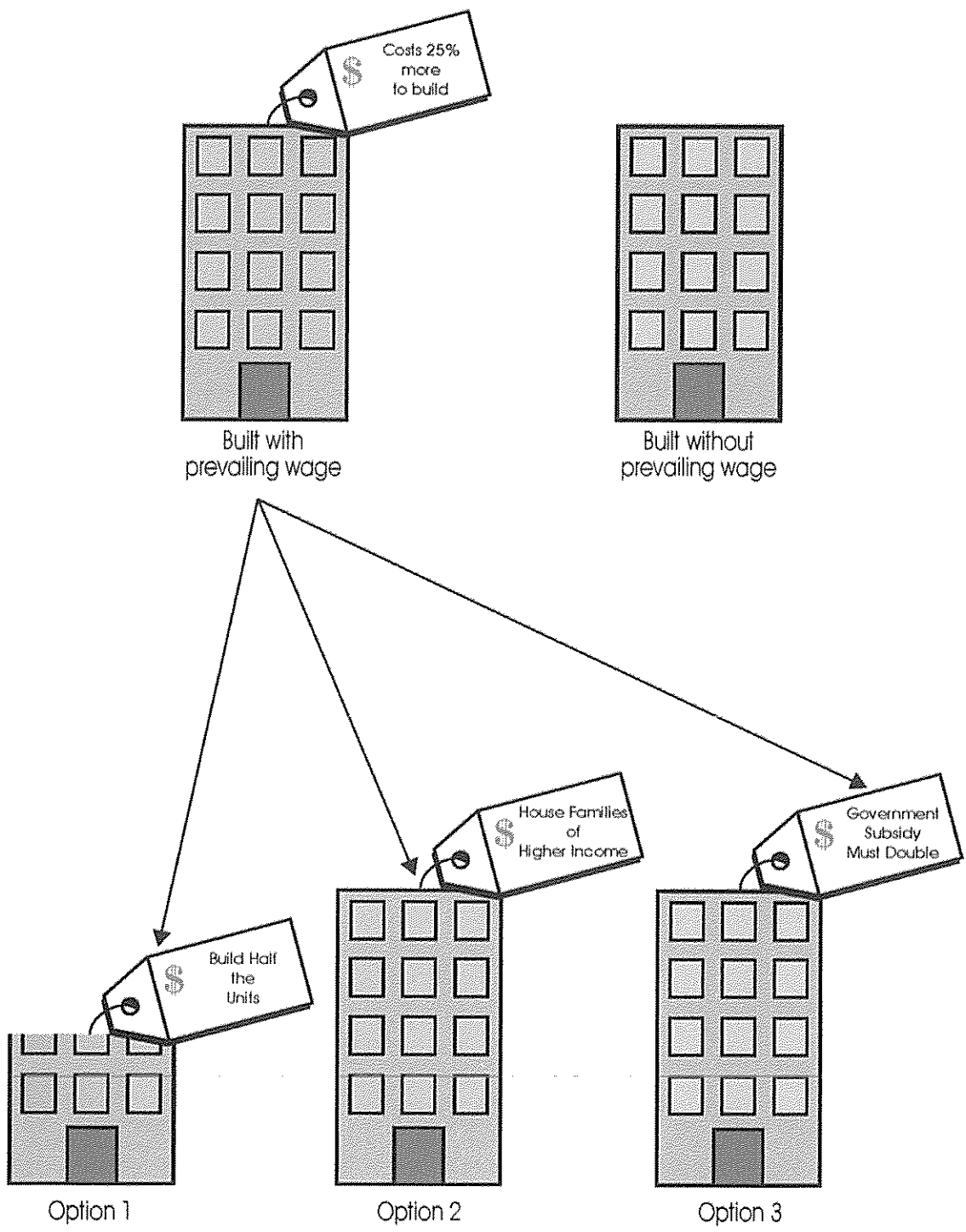
Applying union or prevailing wages to affordable housing construction will increase its costs, reduce affordability, and not address construction issues of site safety, quality of construction, and job accessibility. Apprenticeship training will require Union Labor.

Not only has the affordable housing industry in New York City been responsible for providing housing to families unable to afford it in the marketplace, but its targeted focus has revitalized whole communities that are now flourishing.

The imposition of a union or prevailing wage requirement could significantly curtail one of the most vibrant sectors of New York City's economy and one of the most successful public-private partnerships of the last two decades.

For these reasons, The Briarwood Organization opposes Intro 1169.

Impact of Required Prevailing Wages on Affordable Housing





Prevailing Wisdom


The Potential Impact
of Prevailing Wages
on Affordable Housing

**CHPC**
CITIZENS HOUSING &
PLANNING COUNCIL

Prevailing Wisdom

The Potential Impact
of Prevailing Wages
on Affordable Housing





This report examines the potential impact of requiring prevailing wages to be paid on government assisted affordable housing in New York City. It includes analysis of existing studies, as well as analysis of applicable data sets, and incorporation of information from a small sample of affordable housing projects in NYC.

Elizabeth A. Roistacher
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Founded in 1937, CHPC is a non-profit policy research organization dedicated to improving housing and neighborhood conditions through cooperative efforts of the public and private sectors. All donations are tax deductible.

Prevailing Wisdom

For more than two decades New York City has been at the forefront of innovative programs to create affordable housing. Since 1986, more than 200,000 units have been renovated or newly constructed with some City assistance. Perhaps most important has been the use of affordable housing development as a strategy to rebuild communities and reestablish housing markets in low-income neighborhoods. The transformative impact is undeniable. The condition of the City's housing stock has improved dramatically, and the production of much needed affordable housing has uplifted local economies, helped to reduce crime and improve service delivery, and helped low income communities to attract and retain wealth. Remarkably, these efforts have been sustained through four different mayoral administrations, economic boom and bust cycles, and a variety of changing subsidies and programs.

An entire industry of for profit and not-for-profit affordable housing professionals have flourished, bringing jobs, entrepreneurial activity, and desperately needed affordable housing to communities that were nearly abandoned twenty years ago.

Currently there is a debate as to whether government determined prevailing wages should be required for all City and State subsidized housing construction. Prevailing wages are wage rates that are set by government, usually at the rate paid under union contracts. They are generally higher than the wages set by market conditions.¹ Both the New York City Council and the New York State Legislature have considered bills that would mandate prevailing wages on housing construction subsidized by City or State funds.² With an economic recession and the concomitant slowdown in all construction activity, competition for the shrinking pool of construction jobs can be expected to grow. This downward pressure on market wages will increase the pressure from unions and labor advocates on legislators to intervene at a time when affordable housing can least absorb further increases in costs.

Proponents of prevailing wage requirements claim that a variety of benefits would result from such requirements, including higher pay for the workforce, better trained workers, and as a result, safer construction sites and higher quality construction, all without increasing the total project cost. Those in opposition to prevailing wage requirements cite the need to be flexible in setting wages to reflect both the wage actually prevailing in the marketplace and the nature of the work, to maintain control over job classifications and workforce composition on the site, and to keep costs low to preserve the financial viability of affordable housing development while ensuring both worksite safety and quality of construction that meets all legal and industry standards.

This Citizens Housing and Planning Council report seeks to clarify these issues and to help better inform policy makers and legislators as they consider this important question.

No examination of the construction industry can fail to recognize that there are legitimate concerns about the compensation and working conditions in the industry as a whole. Construction is a dangerous endeavor, and poorly done can threaten both the safety of the workers and the public. Recent fatal crane accidents in New York City only further underscore the dangers involved in construction and the need to continually review and assess legal and regulatory oversight. New York City's Department of Health and Mental Hygiene, its Department of Buildings, and the US Department of Labor's Occupational Safety and Health Administration have joined in a task force to review safety issues. Their findings are expected early in 2009.

As in most industries without vigorous oversight, there are potentials for abuses in both wages and working conditions. However, these problems exist well beyond the affordable residential construction industry and would not be fixed by solutions targeted only to affordable housing construction. In addition, while there are claims that these problems are more

concentrated within the affordable housing sector, there is an absence of systematic evidence that this is the case, or that imposing prevailing wages would address the most pressing concerns.

Proving or disproving the claimed benefits of prevailing wage requirements has been remarkably murky, clouded by inadequate data, imprecise definitions, and arbitrary assumptions.

Moreover, proving or disproving the claimed benefits of prevailing wage requirements has been remarkably murky, clouded by inadequate data, imprecise definitions, and arbitrary assumptions. In this report we seek to examine the various claims for the imposition of prevailing wages by reviewing the current literature and analyzing the available data to determine what the impacts would be and, where applicable, at what cost.

Briefly, our review indicates that:

- Imposing prevailing wages for affordable housing construction could increase the cost of labor, increasing total development costs by about 25%, resulting in the need for higher government subsidies or, in their absence the construction of fewer affordable units. In a typical apartment, rents might increase by about \$400 per month, thereby increasing the amount of annual income a household would need to afford the rent by \$16,000. Conversely, to keep the rent affordable to the same household, government subsidies would have to double or production of units would be cut in half.
- There is no evidence that imposing prevailing wages would improve construction quality.
- Construction fatality data in New York City does not indicate that imposing prevailing wages on affordable housing construction would result in fewer construction-related fatalities.

- The higher wages that would result from imposing prevailing wages on affordable housing would be less likely to benefit black and Latino construction workers, and may well cost many of them their jobs. These workers are already disproportionately under-represented in the construction industry and in the unionized construction trades, and they are disproportionately found in the lower wage sectors of the construction trades.
- Most non-prevailing wages as reported in government data, while lower than union wages, are not unreasonable. Even the lowest wages are, for the most part, not unreasonable for entry-level construction workers. To the extent that there are inadequate wages and working conditions, these result more from the undocumented status of workers, who might find themselves without a construction job if prevailing wage laws were instituted. Regardless of wage level, some workers are not receiving fringe benefits.

In the course of our review we also found that applying existing studies of prevailing wages to the affordable housing sector is not a straightforward process for a variety of reasons. First, most studies of prevailing wages either exclude housing construction or lump it with all general construction (bridges, schools, tunnels, sewers, commercial buildings, etc.). Second, housing construction data sets do not distinguish between affordable housing construction and market rate housing construction. Third, most data sources do not indicate whether a construction job requires prevailing wages, resulting in the necessity to use union data (where available) as a proxy for prevailing wage data. Fourth, data on ethnicity and race in relation to union versus nonunion construction for New York City is extremely thin.

Like other researchers, we are thus constrained to make assumptions and reasonable inferences from the data sets available. However, in doing so we have made a special effort to distinguish the data that apply to housing in general, as opposed to general construction data, and, where possible, data on affordable housing construction. In addition to the analysis of data that was available, we also augmented our work with payroll data from affordable housing developers.

What is Affordable Housing?

For purposes of our review, we define affordable housing as residential projects that have been newly constructed or substantially renovated with construction or permanent financing subsidized through funds provided by the City of New York. In addition, these subsidies have resulted in housing that is affordable for households of low, moderate, or middle incomes. The primary reason for applying this definition is that the legislation proposed, both at the City and State levels, would impose a prevailing wage requirement on State and City assisted projects only. Our analysis has not specifically been extended to examine State funded projects. However, since many City funded projects share some State funding, it is reasonable to assume that the findings would apply to projects within New York City that are solely State funded.

We define affordable housing as residential projects that have been newly constructed or substantially renovated with construction or permanent financing subsidized through funds provided by the City of New York.

Many of the studies that justify the imposition of prevailing wages do not specifically analyze affordable housing, but nevertheless draw conclusions about this sector from broader construction industry data. For example, a strong advocate for prevailing wages, the Fiscal Policy Institute (FPI), which has issued a number of reports on this topic, frequently draws conclusions about affordable housing. However, the FPI reports do not provide any direct evidence on conditions within the affordable housing sector. They merely assume that any problems within the construction industry (working conditions, accident rates, off-the-books or misclassified workers) are greatly over-represented within that sector.

For example, in *The Underground Economy in the New York City Affordable Housing Construction Industry*, a number of tables purport to reflect the affordable

Prevailing Wisdom

housing workforce. However, these tables are created with data on the entire construction workforce, not just residential construction, and are then adjusted through a large number of often debatable assumptions to reflect the residential construction sector and, finally, the subset of affordable housing. The tables do not apply any data from actual affordable housing projects.³ The so-called affordable housing sector therefore inevitably reflects workers on a wide variety of projects that differ not only in scale but also in construction methods. For example, workforce information on projects like the substantial reconstruction of a private owner's home, undertaken by a contractor hired by the homeowner, would be reflected in their affordable housing analysis. Similarly, workers on high rise multifamily new construction receiving no government subsidies and workers on unsubsidized lower rent housing in Staten Island would also be reflected. Thus, problems that are identified with such as-of-right and "spot" construction then become the basis for a legislative cure that addresses only the publicly subsidized segment of the affordable housing industry.

Do Prevailing Wages Increase Construction Costs?

Two basic approaches have been used to determine whether or not requiring prevailing wages increases the cost of construction projects. First is to construct a hypothetical model of a construction project and determine how changing the wage rate influences the total cost. Second is an econometric approach to try to compare costs of similar projects with and without prevailing wages to determine if there is a difference.

In current discussions, the most frequently cited example of the first approach, constructing a hypothetical model, is the study prepared by the Center for Governmental Research (CGR).⁴ While CGR presents results for a variety of areas within New York State and compares these to costs in competitive locations outside the state, our interest is in the result for New York City. The researchers calculate an increase in labor costs of 80% and in project cost (labor plus materials) of 48%. These calculations assumed that labor costs in New York City accounted for 60% of the total of labor plus materials, probably too high a figure. In addition, it makes sense to determine the impact on total development cost. In a Fiscal Policy Institute paper, labor's share of total cost is said to be one-third (and falling) — a figure that





makes more sense for total development cost, including labor and materials, land, and soft costs.⁵ With this assumption, total development costs would increase by only 27% if fringe benefits are included in market labor cost. However, the percentage increase would be higher if fringe benefits are not being paid to many of the construction workers.⁶

This approach of a hypothetical project, however, is subject to a variety of limitations, some of which suggest that it leads to over-estimation of cost increases, others of which lead to an under-estimation. The hypothetical approach leads to an over-estimation of the impact of prevailing wage requirements on total construction if higher wages induce increased productivity as a result of attracting more highly skilled workers⁷ or if higher wages induce more labor-saving techniques in housing production. The likelihood of higher wages inducing more labor saving techniques in housing production is constrained by building codes and site limitations.

Cost increases using the hypothetical model also have some limitations that lead to under-estimation of cost increases. For instance, the use of market wage rates from government data, because they include union and nonunion (prevailing and non-prevailing) wages, mean

that the analysis begins from a higher base than one based only on non-prevailing or nonunion wages. In addition, because the market rates include both residential and non-residential construction employment, the base is higher than if it were to include only residential construction employment.⁸

One last limitation of these hypothetical studies is that they generally apply rates from prevailing wage rate schedules. These rates may under-represent or over-represent what would actually be paid with a mix of apprentice wages and wages for highly-skilled or experienced workers who earn more than what is in the prevailing wage schedule.

While we can't adjust for all of these limitations, it would not be unreasonable to estimate from our modification of CGR's calculations an increase in total development costs in the range of 20 to 25% in order to reflect some productivity gains. If fringe benefits are not being paid to many of the workers, it would be conservative to assume a 25% increase in costs, even with productivity gains.

Calculations using Current Population Survey data are consistent with these adjustments of the CGR findings: The median nonunion wage for New York City construction workers in selected trades (to be more representative of the building trades) was \$13.50 in 2007; the corresponding union median was \$19.57, 45% higher than the nonunion median. Adding on fringe benefits of 35% for nonunion workers and 62% for union workers (taken from the CGR report and an unpublished table provided by the Center for Governmental Research) the union/nonunion differential increases to 74%. Assuming labor's share is one-third of total development costs, the increase in total development costs would be roughly 25%. However, productivity gains and other cost-saving responses would lower the figure. For example, factoring in a 20% productivity increase results in a 20% increase in total development costs,⁹ but again, if fringe benefits are not being paid to many of the workers, the percentage increase would be higher. Moreover, here, and in the earlier results in this section, the cost of compliance, job reclassification and workforce composition would further increase the gap between prevailing and non-prevailing wage construction projects.

The second approach to estimating the impact of prevailing wage requirements on cost, the econometric approach, relies on actual project data with and without prevailing wages. Econometric models incorporate statistical controls to attempt to adjust for other differences in the projects. This approach overcomes many of the problems in the hypothetical approach.

So far the only econometric studies that actually examine affordable housing projects with and without prevailing wages were done in California where the relatively recent passage of a prevailing wage law that covered Low Income Housing Tax Credit projects (LIHTC) facilitated this kind of analysis. These two studies were done using overlapping data bases.

Interestingly, almost all of the econometric studies cited in the EPI and FPI reports do not involve residential construction.

For example, productivity increases and compliance costs would be taken into account, and there would be a clear distinction between wages on non-prevailing wage sites and prevailing wage sites. Econometric studies, however, have problems of their own. Results are affected by the nature and quality of the data, the mathematical modeling, and the estimation techniques. Then, generalizing from one study to another situation (e.g., generalizing from a study of school construction projects in Canada in the 1990s to affordable housing in New York City in 2008) will add new problems to the mix.

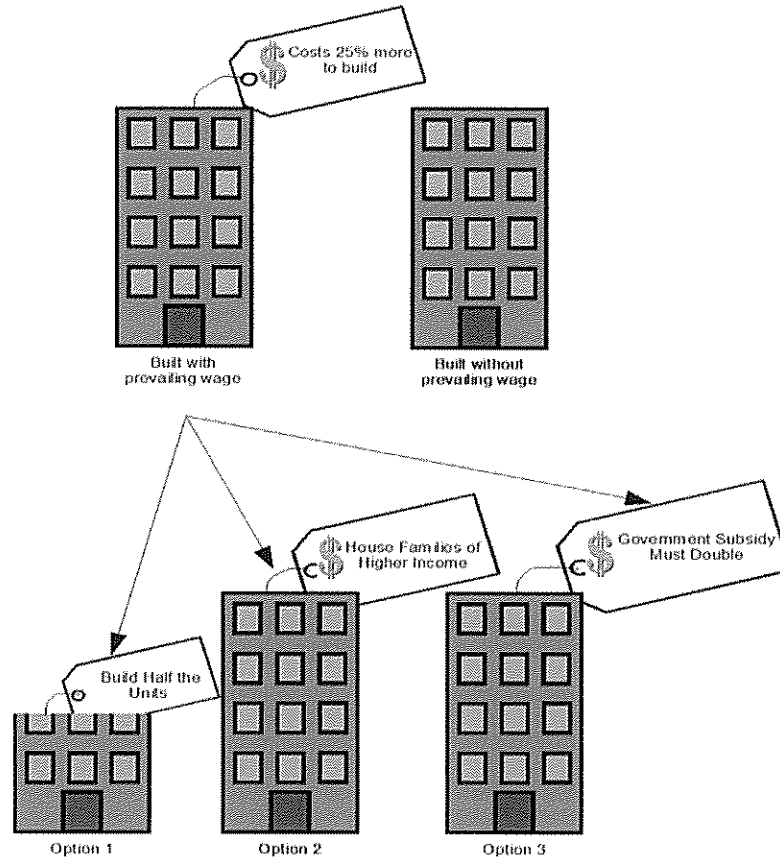
What do the California studies show? A paper by Sarah Dunn, John Quigley, and Larry Rosenthal used data on 205 projects using Low Income Housing Tax Credit (LIHTC) in California with applications filed between January 1, 1997, and May 1, 2002.¹² A California law requiring prevailing wages was amended in October of 2001 to include subsidized housing that had previously not been subject to this requirement. The authors collected detailed data on the housing projects, including costs and characteristics, location, and whether or not the project was developed with prevailing wages. Twenty percent of the sample projects paid prevailing wages.

Depending on their model specification and their estimation technique, they obtained a range of results that varied from as low as 9.5% to 37.2% for the increase in total development cost. This large range of results is indicative of the limitations of econometric analysis. The authors, however, use a midpoint estimate of 25% when they summarize their calculations of the impact on affordable housing production. The other California

A recent paper issued by the Economic Policy Institute (EPI), reviews many of these studies.¹⁰ They are for the most part comparisons of government versus private construction of schools or of other public facilities. This review concludes, as does an FPI report,¹¹ that the econometric literature finds the imposition of prevailing wages to have no impact on costs, that is, the studies show no statistically significant difference in costs. (The studies that *have* shown a significant cost difference are rejected on various grounds.) Interestingly, almost all of the econometric studies cited in the EPI and FPI reports do not involve residential construction.



Figure 1
Impact of Requiring Prevailing Wages on
Affordable Housing



paper uses a larger data set drawn from the California LIHTC data base (365 observations).¹³ The authors, testing a slightly different specification, found an 11% increase in total development costs, at the low end of the Dunn, *et al.*, results. (The higher end results from Dunn, *et al.*, used a more sophisticated estimation technique.)

How different the California market is from the New York market, of course, remains an open question. But it is likely that these studies are more indicative of the impact on affordable housing costs in New York than the econometric studies done in different time periods in different locations for different types of construction.

Thus, the only econometric studies of the impact of prevailing wages on affordable housing construction costs do show a significant impact, even if the lowest estimate were the only result. There does not appear to be any study that finds no cost impact on subsidized, residential construction. The Economic Policy Institute paper cited above suggests the following possible explanations for

why the Dunn, *et al.* study shows a cost increase while most other econometric studies do not:

It is possible that low-income subsidized housing construction might require less skill, lower costs of materials, and a larger share of labor in total cost compared to overall government construction. Labor-intensiveness, skill, and material-saving technologies involved in affordable housing construction might be sufficiently different from those used in other public building and road construction that the operation of prevailing wage regulations works differently in this sector. If this is the case, then prevailing wage regulations might operate differently in the affordable housing sector, which is a small share of government construction relative to construction on highways, schools, and infrastructure.

The econometric results, our own adjusted results of the CGR hypothetical analysis, and our own additional calculations based on union and nonunion wages strongly suggest that the imposition of prevailing wage requirements will have a significant impact on costs of residential affordable housing construction.

As an example, let us take an affordable housing project that costs \$250,000 per unit to build. A 25% increase in the cost of that unit (a number supported in a variety of ways in the previous discussion) would increase the cost by \$62,500 per unit to \$312,500 per unit. To amortize the additional \$62,500 per unit would cost about \$400 per unit per month.¹⁴ Even without taking into consideration the higher return on the increased developer's equity, additional rent of about \$400 per month would be required to support the increased debt service attributed solely to the imposition of prevailing wages. To the extent that subsidized housing programs are designed to reach households which cannot afford market rate housing, an additional \$400 per month is significant. That amount would have to be covered either with additional subsidies or by renting to higher income tenants who could afford to pay the additional amount. An increase of \$400 per month in rent requires an additional income of about \$16,000 per year per family (assuming that rent should not exceed 30% of gross income). Thus, a low income family of four, making \$35,000 per year, who could have afforded an apartment renting at \$875 per month, would now find that the same apartment would cost \$1,275 per month. They would be unable to afford it. The apartment would be rented to a higher income family making at least \$51,000 per year. Clearly, this makes providing housing for lower income families far more difficult.

Even more striking, subsidies would more than double to cover the increased costs if

Thus the only econometric studies of the impact of prevailing wages on affordable housing construction costs do show a significant impact, even if the lowest estimate were the only result.

affordability was to remain the same. Typically, the New York City Department of Housing Preservation and Development (HPD) provides only a portion of the financing needed to subsidize a new housing unit. The rest comes from Low Income Housing Tax Credits, New York City Housing and Development Corporation (HDC) financing, New York State Housing Finance Agency (HFA) financing, equity contributions from owners, and commercial construction loans. City subsidies are critical to ensuring that the projects may be affordable to households with insufficient income to obtain conventional market rate housing. Such subsidy amounts are usually in the range of \$40,000 to \$60,000 per unit. To cover the increased construction cost of \$62,500 noted above, and keep the apartment affordable to the same income group, HPD or HDC would have to provide additional subsidy of \$62,500 per unit. This would more than double the needed government



subsidy. Assuming no additional funds were to be made available (as we can expect in the current environment), the number of units of housing currently produced in non-prevailing wage projects which require HPD or HDC subsidies, would be reduced by more than half. Even if costs went up by only 10%, or \$25,000, the number of units that could be supported while maintaining affordability levels would be reduced by more than one-third.

Thus, the imposition of prevailing wages on subsidized housing will reduce the number of apartments produced, require the projects to reduce the number of lower income tenants, or require larger governmental appropriations to maintain production at the current level. In the current economic climate increased subsidies are unlikely. The more likely outcome would be a reduction in affordable housing units altogether.¹⁵

Will Prevailing Wages Improve Construction Quality?

A common claim made by prevailing wage advocates is that a workforce not subject to those wages will produce lesser quality construction. However, there is no evidence that City-subsidized affordable housing completed with a workforce that was not subject to prevailing wages is of lesser quality than it would have been had a prevailing wage workforce built it. The quality of the product of affordable housing is largely a result of the approved and financed scope of work and the amount of applied oversight. So, for example, if a small home is constructed at low cost with a scope of work that does not include expensive finishes, it may be viewed as lesser quality than a more expensive house built with top quality finishes. However, the construction workers who built it were not responsible in either case for the decisions that led to the final scope of work that was approved and built. While some workmanship may be of poor quality in some housing construction, affordable or otherwise, there is no systematic evidence that this is the case for affordable housing subsidized by the City.¹⁶

In addition, affordable housing in New York City is subject to all of the same building codes and construction standards as any other type of housing construction, without regard to the type of wages paid. Prevailing wages *do* bring extra oversight on wages, job classifications, and workforce composition, but not on the scope and quality of the construction. And while it

The quality of the product of affordable housing is largely a result of the approved and financed scope of work and the amount of applied oversight.

is reasonable to assume that the budgets for affordable housing projects may not generally include expenses that would result in high end finishes, as mixed income projects become more common, even this distinction is disappearing. All residential projects in New York City are subject to the New York City Building Code and must obtain a Certificate of Occupancy to ensure adequate compliance with construction standards as well as zoning rules.

Moreover, affordable housing projects are often subject to additional requirements such as Quality Housing zoning requirements as well as local housing agency review, in addition to the standard government and private lender oversight. In sum, the approved budget and scope of work largely determine the end product, and the construction is subject to at least all of the same government regulation that any other residential project is subject to and, frequently, more.

In its report *Building up New York, Tearing Down Job Quality*, FPI makes the claim that:

The prevailing wage concept stems from a concern that unchecked competition among employers to pay low wages in construction would lead to a less-skilled and less-productive workforce and to shoddy construction practices and unsafe public buildings and infrastructure.¹⁷

Whether or not this was the original reason, much has changed since the 1930s, including strengthening of local building codes, the creation of OSHA, and other improvements.

In either case, there is no evidence adduced in the FPI report, or any other that we could obtain, to show that buildings built with non-prevailing wages in NYC are in any way more “shoddy” than buildings built with prevailing wages.¹⁸ Of the more than 200,000 units

of affordable housing built or renovated with City assistance over the last 20 years, few have experienced systemic construction-related problems. Two notable construction problems that occurred on large scale renovation projects financed through HPD that resulted in long-term litigation were both construction projects that were built subject to prevailing wages.¹⁹

Do Prevailing Wages Improve Site Safety?

Is there evidence to support the claim that the imposition of prevailing wages for affordable housing will result in safer worksites? There is universal agreement that construction safety for workers and the public is a high priority, regardless of the type of construction or the pay scale of its workforce. Here we explore, first, if there is a distinction in building construction safety as a whole between the union and nonunion workforce and what impact prevailing wages would have on safety; second, if in fact the affordable housing industry in New York City is any less safe than the industry as a whole.

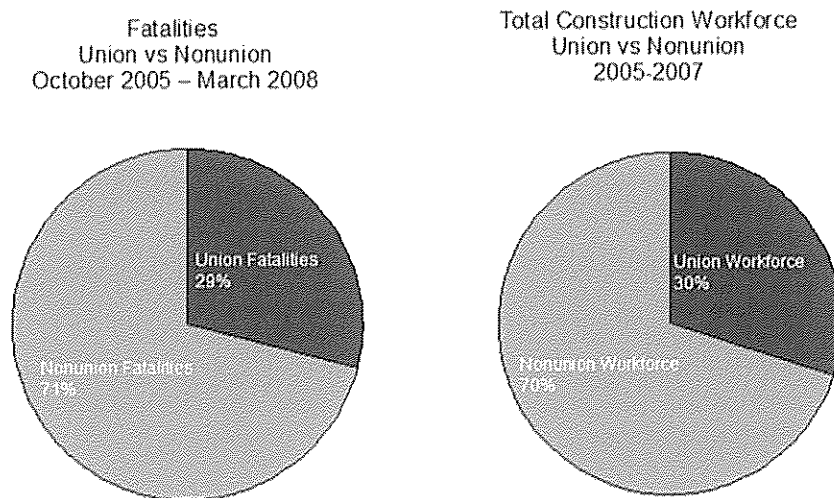
In order to review this issue, we relied on data compiled by OSHA, the agency charged with the collection of data and investigation into worker injuries and fatalities.

We must note a number of issues related to this OSHA data. First, it is not possible to determine specifically if the job site was subject to prevailing wages or not. It does, however, provide an indication of union status. For these purposes we have therefore presumed that union employment is a reasonable proxy for prevailing wages.

Second, injury data is, for this analysis, not a reliable source in determining site safety for affordable housing construction.²⁰ Injury data is kept by employers on site and is only sampled by OSHA for its reports, leaving significant room for error.²¹ Moreover, the data kept on-site does not indicate the union status of the workers, and there are questions about the consistency of reporting from worksite to worksite.²²

Thus we have relied on fatality data as a proxy for safety in general. OSHA investigates all fatal construction accidents and maintains all on-site fatalities in a database that provides both the address of the construction project and an indication of unionized status of the worker involved in the accident. The address information was critical to determining if the fatalities occurred on affordable housing construction sites or not. Unfortunately, OSHA has only been

Figure 2
 Percentage of Fatalities, Union and Nonunion Workers
 Percentage of Union and Nonunion Construction Workers
 New York City Construction Sites*
 October 2005 - March 2008



*Data includes residential and non-residential building construction fatalities.

Source: CHPC analysis of OSHA fatality data and Current Population Survey (2005-2007 Merged Outward Rotation Group files).

collecting data that includes address of the construction fatalities since October 2005, so the data set was limited to that period.

There is universal agreement that construction safety for workers and the public is a high priority.

The OSHA report on fatality data for the period October 2005 through March 2008 for New York City includes 61 construction (residential and non-residential) sites where 66 fatalities occurred.²³ Seven of the fatalities were not classified as either union or nonunion and were therefore eliminated from our review. Thus, our analysis covers the 59 fatalities that were classified by both union status and address. Of the 59 deaths, 18 (31%) involved union construction workers and 41 (69%) involved nonunion construction workers. The data included the first of the two crane accidents that occurred in 2008 but not the second one, which resulted in the death of two more union construction workers. Of the 59 deaths, four were located on sites that were City-assisted affordable housing projects; one was a union worker, three were not.

To have a meaningful comparison of safety rates, it is necessary to know the shares of construction done by nonunion and union workers to determine if one group had fatalities out of proportion to the amount of work each category was doing. This proportionality applies to the industry as a whole and not just affordable housing as defined here. The only study we have found that attempts to make such a comparison was done in 1990 by the US Department of Labor analyzing fatalities throughout the United States, as recorded by OSHA for the period 1985-1989.²⁴ That study compared, among other things, total participation in the construction workforce by union and nonunion workers. It found that construction fatalities occurred in the same proportion as union and nonunion labor in the workforce.²⁵

Applying the same methodology to examine the data for New York City's residential construction, we first need to know the proportion of union and nonunion labor in the residential construction work force. The union status of workers is available in the Current

Population Survey for construction industry workers by place of the worker's residence, but not by place of the worker's job site and with no distinction between residential construction, non-residential building construction, and other types of construction.²⁶ Because the rate of unionization for residential construction workers cannot be directly determined from the data, we examined selected trades²⁷ for construction workers residing in New York City and adjusted their unionization rate to reflect the fact that about 20% of those working in the city resided outside of the city.²⁸ (We were unable to adjust for the roughly equal number of resident workers who did not work in the city.) For construction industry workers in selected trades who resided in New York City, the average unionization rate from 2005 through 2007 was 27.9%. The adjusted rate, including those residing outside the city, is 30.4%.²⁹

Thus, Figure 2 shows that in New York City, fatal construction accidents occur among union and nonunion workers (both residential and non-residential) in roughly the same proportion as there are union and nonunion workers in the city's building construction labor force. Even if the unionization rate were somewhat higher, the limited New York City data do not justify a conclusion that nonunion workers have higher fatality rates.³⁰ Therefore, it appears that requiring prevailing wages - to the extent that the payment of prevailing wages is coincident with unionization of work sites - would not lead to a large improvement in the safety record of the construction industry.

Narrowing our focus to residential construction only, another way to look at the relative comparison of safety rates would be to examine fatality rates within the affordable housing sector compared to all other residential construction, and then compare these rates to the relative shares of affordable and other residential housing within all residential construction work.

The work locations identified in the OSHA reports were researched to determine which ones were residential construction sites and, of those, which received City assistance to develop affordable housing. We found 39 residential construction sites (out of the total 59) with 42 fatalities for the period October 2005 through March 2008. For City-assisted affordable housing, we were able to find four work sites with a total of four fatalities for this period. One of these job sites was a union worksite.

Thus, the three nonunion fatalities on City-funded affordable housing construction sites accounted for only 7% of the 42 residential construction fatalities for the same period. For the fifteen months from January 1, 2007, through March 31, 2008, there were no fatalities on City-funded affordable housing sites compared to 17 on non-affordable housing residential construction. This number seems quite low when we do a rough comparison of City-assisted construction to residential

found as detailed above. The difference is most likely explained as the result of FPI's having available a small, unrepresentative sample. While our sample is also relatively small, it is more than twice as large as FPI's and as a result is likely to be more accurate. Certainly, it is important to continue to track the OSHA fatalities data sets over time.

How Will Prevailing Wages Affect Minority Workers?

In New York City, fatal construction accidents occur among union and nonunion workers (both residential and non-residential) in roughly the same proportion as there are union and nonunion workers in the city's building construction labor force.

A key question concerning prevailing wage requirements is whether the benefits of increased wages will be distributed fairly. City-funded housing construction has made great strides in creating housing and jobs in local communities. Pioneering programs such as the Neighborhood Entrepreneurs Program (NEP) and the Neighborhood Redevelopment Program (NRP) were designed specifically to encourage local developers (both for profit and not-for-profit), and minority contractors to generate not just affordable housing, but employment and business opportunities in largely minority communities.³³

construction in general. For City Fiscal Year 2008, HPD reported 7,171 units of new and gut construction starts.³¹ For calendar year 2007, the Census Bureau reported permits issued for 31,902 new housing units in New York City. Thus City-assisted construction of new housing appears to be about 22% of all new and gut housing construction in New York City. Even if we were to count only HPD new construction starts, affordable housing starts would be 20% of the total.

To the extent that a mandatory prevailing wage would result in a higher level of union labor in City-subsidized housing construction, it's fair to ask if minority workers could reasonably be expected to share in such benefits.

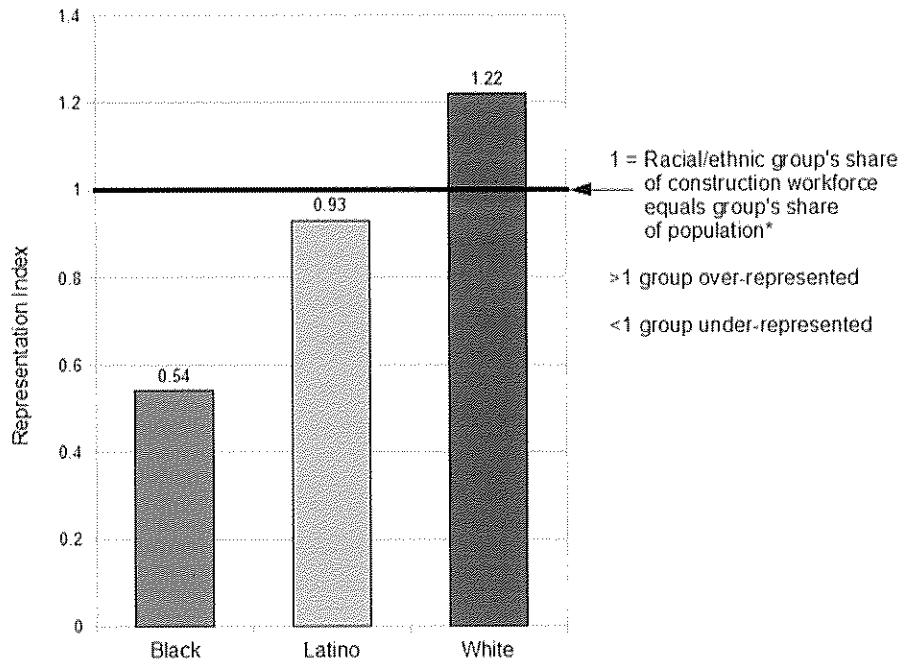
Our findings are substantially different from those in the FPI report *Building Up New York, Tearing Down Job Quality* (p. 10). In that report FPI cites an OSHA study indicating that 86% of construction fatalities from the period October 1, 2005, through September 30, 2006, occurred on nonunion sites. This presumably supports the argument that lack of prevailing wage requirements creates unsafe working conditions.³² (FPI does not mention that the majority of residential workers are not in unions, although it does produce a unionization rate that is significantly higher than our estimate. See endnote 29.)

There is no doubt that construction unions have made progress in opening their membership to Latino, black, and other non-white workers. We have come a long way from the 1960s when Thurgood Marshall, newly appointed as the first black judge to the bench of the United States Second Circuit Court of Appeals, was mistaken by a secretary for an electrician. He remarked that the secretary must be "crazy... to think that I could be a member of the electrician's union in New York!"³⁴

However, when the smaller pool of data that FPI reviewed was expanded from the 12 months to the 30 months CHPC reviewed, a very different result was

There is no doubt that construction unions have made progress in opening their membership to Latino, black, and other non-white workers.

Figure 3
Representation Index
Racial/Ethnic Groups
NYC Construction Industry
2000 Census



*Population restricted to males with at least an 11th grade education and not more than some college (i.e. no four year college degree).

Source: CHPC chart based on *State of Black New York 2007*, Table 4, page 34.

et. al., analyze the participation of white, Latino, and black workers in the New York City construction industry using data from the 2000 Census. The “crowding score” (which we refer to as the “representation index”) indicates the amount by which a particular ethnic group is under-represented or over-represented, taking into account the educational backgrounds of construction workers. More specifically, they define their crowding score as follows: “We estimate the ratio of the employment share of a particular racial/ethnic group within the construction industry relative to their share in the population that meets the educational requirements ...” (p. 34) which are defined as “...having at least an 11th grade education and not more than some college (i.e. no four year college degree)” (p. 33). As Figure 3 shows, in the year 2000, using this crowding score, whites were 22% over-represented in construction, blacks were 46% under-represented and Latinos were 7% under-represented.³⁶

But how much progress has really been made? Just this year Sheet Metal Workers Local 28, a New York City construction union, finally settled a discrimination suit that has been pending for 37 years.³⁵ Not coincidentally, that union has been under federal court supervision for a number of years for a variety of issues, as have a number of other unions in New York City.

Is this an isolated case, or are there still discrimination problems in New York City construction unions?

Darrick Hamilton, Dennis Derryck, and Sabine Salandy address this issue in “Black New Yorkers in the Construction Industry,” a chapter in *The State of Black New York 2007*, published by the Black Equity Alliance and the New York Urban League.

Using what is known as a “crowding score,” Hamilton,

Figure 4, our replication of their findings, also shows the wage rates that black and Latino workers received as a percentage of the industry average. This chart shows that black and Latino workers respectively earned only about 67% and 60% of average industry wages, whereas whites earned 120% of average wages.

In their more detailed analysis of 38 occupations within the construction industry, the authors state that, “... we do find statistical evidence that native-born blacks are ‘crowded’ into low-earning occupations in the construction industry” (p. 37). Hamilton *et. al.* further find that:

In comparison to blacks, the relationship between occupational wages and crowding in construction industry jobs for white

males is reversed. In addition, white males in the construction industry tend to be proportionally represented across occupations, 53 percent of all construction industry occupations are proportionally represented (i.e. exhibit “no crowding”) by whites. Moreover, the occupations in which they are under-represented have about a \$15,000 (or 34 percent) lower average wage than the occupations where they are over-represented. . . Hence, there is a pattern that whites in the construction industry are clustered into the high earning occupations (emphasis added). (p 37)

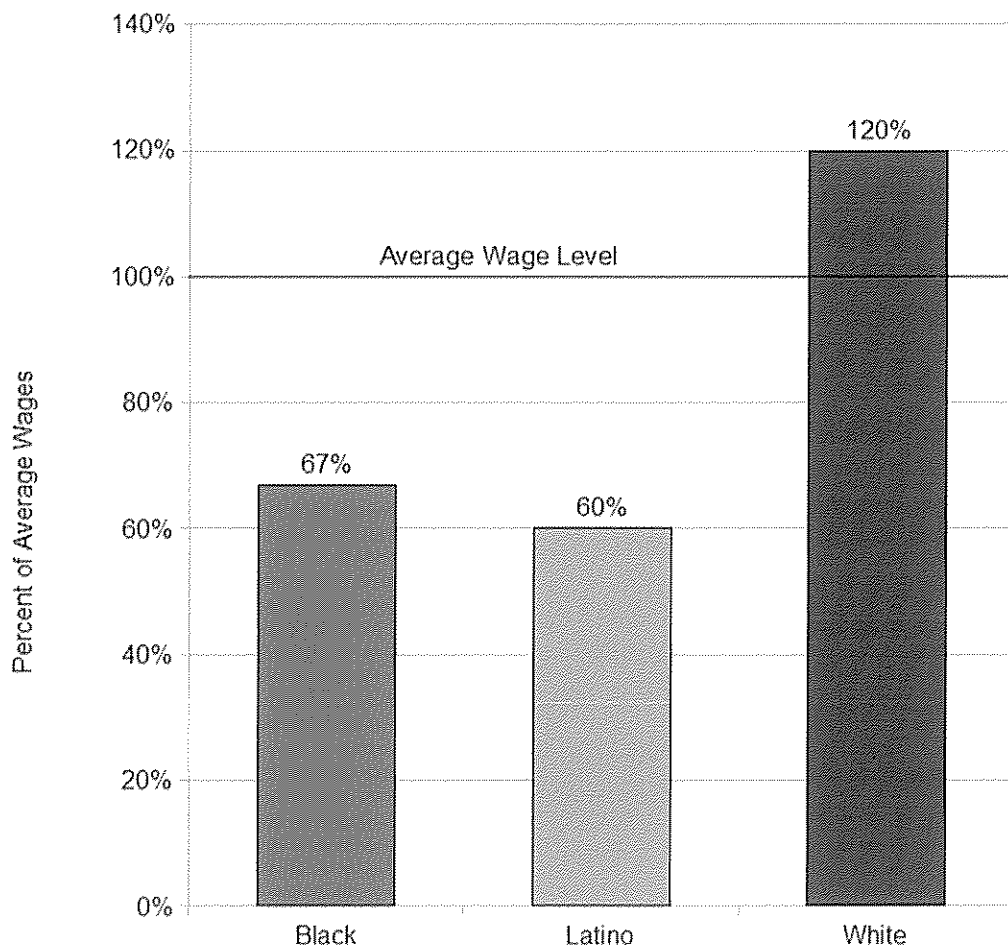
Of course, this analysis shows only that whites dominate higher paying jobs in construction, but it does not tell us why. The disparities could be explained by a number of factors, among them differences in experience or training of workers, or, selectivity of employers or unions.

The study does seek to provide some answer to this question by analyzing the ethnic make-up of union apprenticeship programs using data the authors obtained from the New York Department of Labor through a Freedom of Information request. In Figure 5, we report their findings of the ethnic makeup of apprentices in different apprenticeship programs, which are supposed to be the path to union membership. Note in Figure 5 that two of the unions that have made the most progress, Sheet Metal Workers and Carpenters, have been under federal court supervision for extended periods of time. (Figure 5 shows growth in

number of non-white apprentices from left to right, least improvement on the left, and most improvement on the right.)

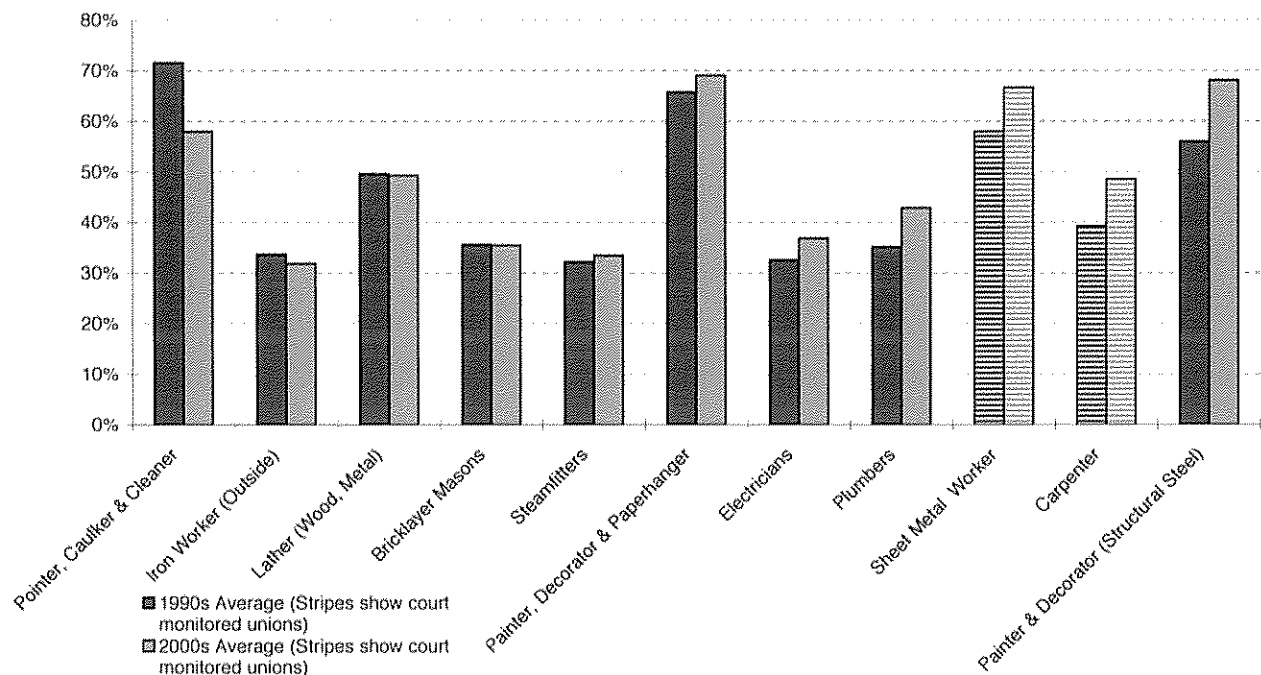
As Hamilton, *et. al.*, note, although there has been an increase in the number of black and Latino apprentices from the 1990s to the 2000s, when they compare the racial characteristics of eleven apprenticeship programs in the 2000s to the racial characteristics of males in New York City between the ages of eighteen and thirty-five who had no more than a high school diploma in 2004, they find that, “Only three come close to being representative of the demographics of the city: the painters & decorators (structural steel), sheet metal workers, and the painters, decorators & paperhangers. For the most part, whites were over-represented compared to their share in the city’s population.” (p. 39).

Figure 4
Percent of Average Construction Wages
By Ethnic/Racial Group
2000 Census



Source: CHPC chart based on *State of Black New York 2007*, Table 4, page 34.

Figure 5
Percent of Non-White Apprentices by Trade, 1990s and 2000s



Source: CHPC Chart based on *State of Black New York 2007*, Table 7, page 39

Our discussions with apprenticeship training providers indicated they face great difficulty in getting their graduates into union apprenticeship programs. The training program run by the affordable housing industry with the City University of New York (LaGuardia College) apprentices its graduates to builders who support the program. It has so far been unable to place its graduates with unions. In addition, one training program has advised us that there are strict limits on the numbers of its graduates that will be permitted into union apprenticeship programs, regardless of the number that achieve required skill levels, and there are limits on how many of those who complete the apprenticeship programs are admitted to the union.

Overall these findings resonate with the findings of Annia Ciezadlo in “Invisible Men” (*City Limits*, May 2003). She reports that low wage workers have reason to oppose the unionization of their work sites because they fear that unionization will result in the transfer of jobs from lower wage minority workers to higher wage white workers. She writes of carpenters:

Even with the passage of time, many of the rank-and-file members won't really trust the union until it changes its hiring practices.

Today, the union has two kinds of members: “company men” and “local men”.... If you're a company man, you'll have work for as long as a particular employer hires you. The roster of company men remains disproportionately white.

Local men get hired either by shaping jobs or from a massive list of unemployed workers. For every company man a contractor hires, it's supposed to hire one person from the out-of-work list. The process is monitored by the federal authorities, and union officials say the monitoring has been effective. But it's a common belief among minority members that the hiring is not happening.

Knowing this, nonunion workers fear that if they vote to unionize their workplace, they will end up on the out-of-work list, and their jobs will go to white members. “When the job turns union, there isn't anything in it for us, and that's a fact,” says Steve Roy, a union carpenter for six years. “And I can get 10 guys to verify this, and even more. You know how many black guys are outta work right now?”³⁷

Their fear is not unreasonable. True, prevailing wage jobs are higher-paying jobs; but as we see in the Hamilton, *et. al.*, higher-wage workers are disproportionately white. If a union job goes to higher-wage workers, the odds are that the ones left out will be disproportionately black and Latino.

The evidence presented above indicates further that there are restrictions on entry into union-sponsored apprenticeship programs. Moreover, completion of a union apprenticeship program does not guarantee union membership, and union membership does not guarantee a union job.

There is also anecdotal evidence that the imposition of prevailing wage requirements would significantly hinder minority-owned contracting and subcontracting firms, some of which find compliance with the prevailing wage rules difficult or impossible. Few such firms have the back-office capacity to comply with the complex reporting and oversight requirements of prevailing wages. While it is reasonable to hope that such capacity could be developed, there are few resources devoted to attaining this goal, and most minority firms fear that their businesses will go under if such a requirement were put into place.

Do Non-Prevailing Wage Workers Get A Fair Wage?

Is a competitive market wage (as opposed to a prevailing wage) for skilled and unskilled labor an adequate wage? A major claim of the advocates of prevailing wage is that it prevents wage exploitation of workers by contractors. To examine this issue we have reviewed prior analysis, examined available data and queried a small number of developers who shared their payroll records with us. There were two key questions that we explored. First, are the wages being paid to workers on affordable housing projects “fair”? Second, would the imposition of prevailing wages improve earnings for those on the bottom of the scale?

A “fair wage” may be defined as a wage in a competitive labor market in which a worker is rewarded on the basis of his/her productivity.³⁸ If a worker faces discrimination or if employers are in a monopsonistic (buyer’s monopoly) position as in a “company town,” then the wage will be depressed below a level reflecting the worker’s productivity. Certainly, there are enough

construction firms to rule out monopsony. However, discrimination based on worker characteristics unrelated to their productivity probably depresses the earnings of certain construction workers—in particular, undocumented workers. And workers with

True, prevailing wage jobs are higher-paying jobs; but as we see in Hamilton, et. al., higher-wage workers are disproportionately white.

limited English skills will have fewer alternative job opportunities than other unskilled workers, so they, too, are likely to suffer a depressed market wage (although absence of language skills can have a negative impact on productivity, even in construction). The evidence on the city’s construction industry presented in *The State of Black New York* suggests that discrimination based on race and ethnicity may also persist.³⁹

In a discussion of construction wages it is useful to note where we start. Construction wages in the New York City area are already among the highest in the nation. The United States Department of Labor recently noted that workers in the “Construction and Extraction” occupational group in the New York City area received wages that were 43% over the United States average. Of course, part of this differential reflects the higher cost of living in New York City; it also reflects a higher proportion of the construction labor force being paid union wage rates. However, this 43% differential for construction is much higher than the 30% differential when comparing wages for all occupations in the New York City area to wages for all occupation in the United States as a whole.⁴⁰

As noted earlier in our discussion of costs, analysis of Current Population Survey data for 2007 indicates a median nonunion wage for construction workers in selected occupations (those more representative of building construction) of \$13.50 compared to a median union wage of \$19.57. There was very little difference in the extreme ends of the distributions – \$7.70 and \$7 at the bottom for union and nonunion respectively, and \$42 and \$43.62 at the top end for union and nonunion

respectively. (These figures are based on a very small number of observations, but looking at three years of data doesn't do much to change this picture.)

In order to find out what wages are on affordable housing sites not covered by prevailing wage requirements, CHPC asked a number of affordable housing developers to supply *actual* payrolls for workers on *actual* construction projects. Admittedly, these responses from a few developers are anecdotal, but they do reveal some important points.

One set of payroll reports on nearly 300 employees provided to CHPC shows that the lowest on-the-books wages were \$10 per hour, paid to about 10% of the employees. The majority of wage rates were between \$18 and \$24 per hour. In another report on 50 employees, one worker was shown at \$10 per hour, three were at \$12 or \$13 per hour, and six were at \$14 or \$15 per hour. Thus, there is evidence of low rates of on-the-books pay for the least skilled jobs. While a number of respondents report paying health benefits to workers, in some instances it is clear that no fringe benefits are paid. At the high end of the wage scale, the 50-employee report included three unspecified workers at \$50, \$65, and \$75 per hour, while reports for plumbers and carpenters showed some wages at around \$50 per hour.

In terms of what an adequate wage is, the FPI report *The Underground Economy in the New York City Affordable Housing Industry* takes a modest approach to this issue of income adequacy (p. 6). It says that a minimum standard for a wage earner should be 150% of the federal poverty guideline.⁴¹ For 2007 for a single person household this level would be \$15,315 (1.5 x \$10,210); earnings at \$10 per hour would cover this amount (\$18,400). For a three-person household this level would be \$25,755 for 2007. Using typical hours (1,840 per year),⁴² a worker would have to earn \$14 per hour to achieve an income of \$25,755. But again, it should be remembered that the guidelines are based on household income; a wage earner may be a part of a household with another earner.

Looking at public policy on this issue, we note that New York City passed "living wage" legislation in 2003 to govern minimum payment to workers on certain city contracts (not including construction). Currently, the living wage minimum is \$10 per hour plus \$1.50 per

hour for benefits.⁴³ This wage, including fringe benefits, generates an annual income of \$23,920.⁴⁴ Note that a typical living wage recipient works more hours than a typical construction worker. Therefore, a typical construction worker would need a \$13 per hour wage to reach \$23,920.

Thus, there is definite concern that wages are low for a good number of unskilled nonunion construction workers, even below the living wage mandated for workers on city contracts in less dangerous types of employment. Our analysis of data from the Current Population Survey suggests that approximately 23% of workers in the building construction trades earned \$10 per hour or less in 2006 through 2007. There were approximately 17,500 such workers, which must be considered a lower bound for low-paid workers given the likelihood of under-reporting by undocumented workers.⁴⁵ As the *City Limits* article "Invisible Men" points out, many nonunion construction workers do not receive fringe benefits from their employers, consistent with our anecdotal evidence.

However, the reality is that for many low-skilled workers in New York City's poorer communities, these jobs are better paying than many other entry-level jobs that they could get. From "Invisible Men":

Compared to other jobs, construction work is more seasonal, unpredictable, and dangerous. Still, workers told us that for recent immigrants, even low-end construction jobs are considered a step up from other options such as dishwashing.

In addition, there is again anecdotal evidence that entry-level positions in affordable housing construction have greater potential for advancement for those workers able to improve their skills, to the benefit of both worker and employer. One of our board members referred to this on-the-job upgrading of skills as an informal apprenticeship system. Considering that other available entry-level jobs include fast food outlets and similar jobs with limited advancement opportunity, workers in construction entry-level jobs probably have a better opportunity for advancement than in other industries.

Nevertheless, if payroll workers are receiving a very low wage and no fringe benefits, there must also be concern with the economic vulnerability of workers who are

part of what FPI labels as “the underground economy”: workers who are paid off the books or improperly classified as self-employed as a way for their employers to avoid responsibility for worker’s compensation and unemployment insurance, as well as Social Security and other taxes. Unfortunately, the only estimate of the extent of this problem in the affordable housing sector, by FPI, is so laden with unjustified and unexplained assumptions, that it is not a useful measure.⁴⁶ However, taking a journalistic approach in “Invisible Men”, Annia Ciezadlo provides anecdotal documentation of the nature of these problems—non-payment of wages, low wages, and unsafe working conditions.

So we are confronted, in reality with two concerns about adequate wages: some workers are receiving wages in the \$10 per hour range, and some workers are not receiving fringe benefits, notably among them, health care.

Does the imposition of prevailing wages solve these problems? For unskilled workers, only a lucky few would benefit from prevailing wage. For many of them, the imposition of prevailing wages means the loss of their job, especially if they are black or Latino—or undocumented. For these unskilled, entry-level workers, the market-determined construction wage is probably a better wage than they could get in other entry-level occupations. Combined with another working adult, it could provide a minimally acceptable family income.

The lack of fringe benefits, primarily health care, is an ongoing concern. Our own informal survey of affordable housing builders suggests that many workers do receive some health insurance, although we are unable to say what percent of workers are recipients. However, many workers in other forms of employment also lack such benefits. The solution for this problem lies not in prevailing wages (which likely increase tax burdens on working taxpayers who also lack health insurance) but in a more comprehensive approach by government to the problem of health care. Currently New York State’s Healthy New York is available to workers with modest incomes. A one-person household with an income of up to \$26,000 is eligible for this insurance; for a family of three the income eligibility ceiling rises to \$44,000.⁴⁷ Promoting the availability of these programs is a first step to addressing this problem. Of course, this insurance is

not free. For an individual in New York City it runs about \$250 or \$300 a month, and for a family, it is three times this amount. This is equivalent to about \$1.75 per hour out of a paycheck for the individual coverage and nearly \$6 per hour for family coverage. (Again, there may be additional income supporting a family.) More optimistically, the recent presidential election has placed the issue of universal health care high on the national policy making agenda.

The lack of fringe benefits, primarily health care, is an ongoing concern.

There is another category of worker that is hit hard if a prevailing wage requirement turns nonunion jobs into union jobs: the undocumented worker. For undocumented workers—and other off-the-books workers—the problem is more serious because worker’s compensation, Social Security, and Medicare taxes are not paid.

There are two contrasting positions on undocumented workers. The first position is that they should not be working at all because they are taking work away from legal workers. The second position is that they are an important part of our labor force, and they need to be legally integrated into society.

Imposing prevailing wage solves neither of these problems. First, this problem is much larger than the affordable housing industry or construction in general. Second, for those whose objective is to eliminate undocumented workers, it’s unlikely that imposing prevailing wages would achieve that because at most it would only eliminate them from the affordable housing sector.

Unfortunately, the solution to the issue of undocumented workers is, for the most part, beyond the scope of local and state government - and a problem not restricted to the residential construction industry, let alone the affordable housing component of this industry.⁴⁸ This problem awaits a national policy decision on whether such work should be permitted and under what legal framework.

Conclusion

Our main conclusion is that imposing prevailing wages on the affordable housing industry reduces the amount and affordability of subsidized housing while doing little to improve the real problems faced by workers in the construction industry in general.

This is not to say that there are not real problems facing workers in the construction industry. Construction is, overall, the fourth most dangerous job in the United States. Access to better-paid, higher-skilled construction work is constrained and limited for minority workers. Many workers do not receive fringe benefits, resulting in health care costs borne by the workers and the public at large.

Our main conclusion is that imposing prevailing wages on the affordable housing industry reduces the amount and affordability of subsidized housing while doing little to improve the real problems faced by workers in the construction industry in general.

However, our analysis does not support the conclusion that imposing prevailing wage requirements on the affordable housing construction industry is likely to improve these problems.

The problems of construction workers who receive low wages or who work in unsafe conditions are primarily problems of the larger construction industry. To the extent that construction in general or unsubsidized residential construction is the source of inadequate wage income and unsafe working conditions, imposing prevailing wages on the subsidized sector alone does little to remedy those problems. To the extent that such problems exist, there is no evidence that these problems are any worse in the category of affordable housing than in construction in general.

In fact, the more extensive supervisory environment that surrounds subsidized housing insures that the affordable housing sector is better supervised and regulated than the industry as a whole.

Thus, solutions need to focus on the problems of the entire building construction industry and the regulatory structure that surrounds it. These include better enforcement of the wage and hour laws and better supervision of construction sites by OSHA and the New York City Department of Buildings.

Some things that are likely to improve these problems are beyond the scope of this report. Health care that is available to all regardless of employment is one challenge. Deciding what our policy should be for millions of undocumented immigrants in the United States is another. These, however, must be solved for society in general and not merely for one subset of construction workers.

Recommendations

The following areas should be the topic of further analysis and discussion as a way of improving wages, working conditions, opportunities in the construction industry, and the construction of affordable housing.

- ***Prevailing Wages Should Not Be Applied to Affordable Housing***

Applying prevailing wages to affordable housing construction will increase its costs, reduce affordability, and not address construction issues of site safety, quality of construction, and job accessibility. Affordable housing developers, wherever possible, should be able to pay wages that actually prevail in the marketplace.

- ***Construction Workers Need Better Access to Training and Jobs***

More entry-level construction workers need better access to training and to the higher-skilled job opportunities that such training brings. The primary method to such advancement has been through union-run apprenticeship programs. As we have seen access to such training programs is not fully open to all.



construction industry would help expand job opportunities.

Hamilton, *et. al.*, have shown that there is a problem with equal access by blacks and Latinos to construction jobs and apprenticeship programs. It is incumbent on the construction industry and construction unions to develop new methods to increase opportunities for minority workers.

• ***Construction Oversight Should Be Improved***

Our review shows that safety problems exist for both union and nonunion workers, and, by implication, for prevailing wage and non-prevailing wage sites. Better enforcement of safety and construction requirements by OSHA and the NYC Department of Buildings is obviously needed. The NYC Department of Health and Mental Hygiene and the Department of Buildings along with OSHA are working to identify improvements in inspections and requirements to improve safety in construction.

Not only has the affordable housing industry in New York City been responsible for providing housing to families unable to afford it in the marketplace, but its targeted focus has revitalized whole communities that are now flourishing. Those benefits have largely remained within those same

One possible solution is to provide more nonunion training programs. Such programs have already been started by groups such as the New York State Association for Affordable Housing and the New York State Builders Association in cooperation with the City University at LaGuardia College. But we must ensure that graduates of such programs have access to on-the-job training as well.

Creating more consortia of employers to sponsor programs with links to training programs run by local community development organizations would expand apprenticeship opportunities to the benefit of workers and employers. More of these efforts in the

communities and can be seen in retail development, increased local property management, renovation and construction businesses, improved city services, and population growth. With a growing need for affordable housing, the retrenchment of capital investment, a worsening recession, and a shrinking of government subsidies, the affordable housing industry is particularly vulnerable. The imposition of a prevailing wage requirement could significantly curtail one of the most vibrant sectors of New York City's economy and one of the most successful public-private partnerships of the last two decades.

End Notes

1 In New York City, two kinds of prevailing wages apply, *Davis-Bacon* wages, set by the federal government for federally funded projects, and *New York State Labor Law §220* wages set by the State for construction procured by state and municipal governments. Under §220 prevailing wages are defined as the wage paid under collective bargaining agreements between *bona fide* labor organizations and private employers, if such agreements apply to at least 30% of workers in a specified trade. Employers who might wish to challenge the prevailing wage schedule have the burden of proving that in any specific trade less than 30% of workers are covered by collective bargaining agreements. The Bureau of Labor Law of the New York City Office of the Comptroller is responsible for administering and enforcing the State's prevailing wage laws in New York City.

2 Introductory 733 of 2008 is the bill in the City Council. A2713 of 2007 is the bill in the New York State Assembly and S1694 of 2007 is the bill in the New York State Senate.

3 For example, Table 2 of *The Underground Economy in the New York City Affordable Housing Construction Industry* displays "Estimates of NYC Affordable Housing Workforce by Category of Worker." The text discussing the table refers the reader to Appendix Table 1 for back-up, but Appendix Table 1 then says the methodology is "available on request." To date, this methodology has not been provided, despite several requests. Most distressing is that the appendix table concludes that two thirds of the workers in the affordable housing sector are "underground" — either misclassified as self-employed or not "on-the-books" - based on numerous assumptions that are either not stated or not justified. This poorly documented conclusion is then repeated in a subsequent FPI paper inauspiciously titled *Building Up New York, Tearing Down Job Quality*" (FPI, December 5, 2007, p. 1).

4 Kent Gardner and Rochelle Ruffer, "Prevailing Wage in New York State: The Impact on Project Cost and Competitiveness," Center for Governmental Research, Rochester/Albany, New York, January 2008.

5 *Building Up New York, Tearing Down Job Quality*, p. 22.

6 For example, assuming half the workers are not receiving fringe benefits, the percentage increase rises to 36 percent. This analysis is available from CHPC upon request.

7 Higher wages could induce existing workers to be more productive.

8 Data from the 2006 Quarterly Census of Employment and Wages show that, for eighteen construction trades, non-residential workers earned on average 51% more than residential workers in the same trade.

9 A 20 percent productivity gain reduces the labor cost differential to just below 60 percent, resulting in a 20 percent increase in total development costs (one-third of 60).

10 Nooshin Mahalia, *Prevailing wages and government contracting costs: A review of the research*, Economic Policy Institute, July 8, 2008.

11 *Building Up New York*, p. 22.

12 "The Effects of Prevailing Wage Requirements on the Cost of Low-Income Housing," *Industrial & Labor Relations Review*, Vol. 59, 1, 2005, p. 144.

13 Matthew Newman, Shawn Blosser, Hilary Haycock, "Impact of Prevailing Wage Rate Requirements on the Costs of Affordable Housing in California," The California Institute for County Government, May 25, 2004. This paper has an earlier date than the Dunn, *et. al.*, paper, even though the former relies on the latter. The working paper version of the Dunn, *et. al.*, paper was in circulation prior to the Newman, *et. al.*, paper.

14 Calculations are based on a 30 year, self-amortizing mortgage at a 6.5% rate of interest.

15 It is questionable whether there is enough of a profit margin for any substantial part of a cost increase to be borne by developers

16 Journalistic reports do identify some problems See, for example, Annia Ciezadlo, "Invisible Men," *City Limits*, May 2003. However, that article did not consider the existence of similar problems in the unsubsidized housing sector. While there are anecdotal complaints involving some subsidized small homes construction, again it is more likely a function of scope, e.g. minimally insulated walls, rather than quality of workmanship.

17 *Building Up New York*, p. 21.

18 There are journalistic reports of workmanship problems on affordable housing sites such as “NYC’s Affordable Housing Project Costs Homeowners,” <<http://www.wnbc.com/print/10224364/detail.html>>. There are probably stories that can be written about shoddy workmanship in the unsubsidized sector. Systematic evidence of poorer workmanship in the affordable housing sector versus other construction, however, is a different matter.

19 The two projects were part of the Construction Management Program completed during the Ten Year Capital Plan. In one case a cluster of buildings that were to be renovated and turned over to the New York City Housing Authority was significantly delayed because of the installation of faulty shower bodies, and in the second case a large cluster of renovated buildings turned over to the Settlement Housing Fund in the South Bronx experienced extensive problems with the buildings’ exterior stucco as well as with drainage in the open space areas.

20 Conversation with Assistant Commissioner Nancy Clark, New York City Department of Health and Mental Hygiene.

21 Injury data is also downward biased because not all injuries are reported. It is further problematic in that injuries can be of vastly different seriousness.

22 A paper by Hamid Azari-Rad, “Prevailing Wage Laws and Injury Rates in Construction” (in Hamid Azari-Rad, Peter Philips, and Mark J. Prus , editors, *The Economics Of Prevailing Wage Laws*, Ashgate, 2005) used state data from 1976 through 1999 taken from the Survey of Occupational Injuries and Illnesses published by the Bureau of Labor Statistics to examine the relationship between non-fatal injuries rates and the presence of prevailing wage laws. The results indicate a statistically significant reduction in injury rates in states that have prevailing wage laws. However, the author writes that, “The causal processes that create the connection between prevailing wage regulations and safer construction work include the role prevailing wages play in promoting training, encouraging the retention of experienced workers and creating an environment where other regulations are followed.” The author doesn’t suggest that the higher wages themselves lead to reduced injury rates. It may well be that the apprenticeship programs required under prevailing wage result in better training and lower injury rates.

23 OSHA reports worker fatalities only and does not include pedestrians or nearby residents who may have been involved in the accident. It also includes only fatalities on site, and not subsequent deaths resulting from an on-site accident.

24 *Analysis of Construction Fatalities – The OSHA Data Base 1985 – 1989*, US Department of Labor, November, 1990, page 18.

25 OSHA regularly reports a rate of fatalities based on the number of fatalities per 100,000 workers in a category. However, these numbers are not broken out based on union versus nonunion and therefore tell very little about the differences based on union status. They do reflect overall safety rates for a particular industry, and, as such, construction is ranked the fourth most dangerous industry in the United States.

26 The Current Population Survey, which is the only large-scale government data base indicating union status of workers, does not distinguish between residential and non-residential construction.

27 The trades selected were those with a high likelihood of working in building construction. Our analysis excluded heavy construction (e.g., highways), which is likely to have higher unionization rates than building construction, and residential construction in particular.

28 We used data from the 2006 American Community Survey, which reports both place of work and place of residence, but not union status, to make our adjustment.

29 Data are taken from the 2005-2007 Current Population Survey (CPS) using the Merged Outward Rotation Group (MORG) files constructed by the National Bureau of Economic Research. The Survey asks whether the worker is a member of a union “on [the] current job.” The CPS does not provide information by place of work. The American Community Survey for 2006, which does report place of work as well as place of residence, indicates that 81% of metropolitan area construction workers employed in New York City also reside in the city. Of the 19% who reside elsewhere in the metropolitan area, the great majority (72%) are white, non-Hispanics. CPS data show a unionization rate of 41% for metropolitan area construction workers residing outside of New York City (43% for white, non-Hispanics) for the period 2005 through 2007.

FPI has estimated the rate of unionization to be 45% for 2006 (*Building Up New York*, p. 12). This relied on an assumption that New York City construction workers residing outside the city were unionized at a rate of 97.5%. Based on available data, this assumed rate seems excessively high.

30 To the extent that high-rise construction sites are inherently more dangerous than low-rise construction sites, then our fatality rates--which are not adjusted for the degree of hazard--might understate the safety record of union sites versus nonunion sites.

31 For purposes of this comparison we have assumed that HPD's gut construction will usually require a new building permit and thus be counted in the Census numbers for permits for "new" construction.

32 This connection is made in *Building Up New York, Tearing Down Job Quality*, pp.22-23.

33 Alan S. Oser, "PERSPECTIVES; Entrepreneurs' Role in Foreclosed Housing Expands," *The New York Times*, November 22, 1998.

34 Mark V. Tushnet, *Making Civil Rights Law, Thurgood Marshall and the Supreme Court, 1936-1961*, Oxford University Press, 1994, p.4.

35 Steven Greenhouse, "Settlement in Bias Suit That Stalled for 37 Years," *The New York Times*, January 16, 2008.

36 According to one of the authors, these categories do not have any overlap, so the categories "black" and "white" exclude Latinos.

37 <<http://www.citylimits.org>>

38 Economists argue that the wage in a competitive labor market should equal the "value of the marginal product," that is, how much the last worker employed contributes to revenue.

39 To test for discrimination, a more detailed analysis controlling for age, training/education, and experience, would be required.

40 United States Department of Labor, Press Release *Occupational Employment and Wages In New York-White Plains-Wayne, May 2007*, August 19, 2008.

41 This is a very modest standard compared to income adequacy determinations by other organizations such as the Economic Policy Institute, which puts the basic family budget for a New York City three-person family (two adults, one child) at \$50,652 for 2005. <http://www.epi.org/content.cfm/datazone_fambud_budget>

42 This is equivalent to a work year of 46 weeks at 40 hours per week. It is the figure used for construction workers by FPI in *The Underground Economy*, Table 3, p. 22.

43 Conversation with Jeffrey Elmer, New York City Office of the Comptroller, Bureau of Labor Law.

44 This calculation assumes a work year of 2,080 hours (52 weeks at 40 hours per week), more hours than are usual in the construction industry.

45 These are our calculations using the Merged Outward Rotation files of the Current Population Survey created by the National Bureau of Economic Research. The CPS probably under-estimates the number of low-wage workers either because of misclassification (some wage employees classified as self-employed) or because of under-representation of undocumented workers or off-the-books workers. In *The Underground Economy and the New York City Construction Industry* (p. 5), FPI reports that 26.4% (nearly 30,000) nonunion workers earned \$10 an hour or less in 2006 according to the CPS. Their base of workers includes a broader range of construction workers, but it is restricted to nonunion workers. In *Building Up New York, Tearing Down Job Quality* (p. 21) FPI reports that, "According to the CPS wage data for the past three years, roughly 45,000 New York City resident construction workers make less than \$11 an hour." Our own analysis of the 2006 CPS data puts the figure at 25,000 for *all* resident construction workers (not just those in the building trades).

46 Reiterating an earlier endnote in *The Underground Economy*, FPI concludes that two-thirds of workers in the affordable housing sector are "underground" workers. The result depends on numerous assumptions that are unexplained and/or unjustified. Moreover the methodology appears to be unrelated to any specific examination of City-assisted housing.

47 < http://www.ins.state.ny.us/website2/hny/english/hnyeci_sole.pdf > New York State also provides less costly insurance under its Family Health Plus program for individuals and households with lower incomes.

48 State and local government, however, could address some of the needs of undocumented workers, such as assisting them with education and health care.



42 Broadway, Suite 2010, New York, NY 10004

www.chpcny.org

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: NORMAN SAUL
Address: 1637 Saint Peters Avenue
Brnx NY 10461
I represent: Retired Construction Steward
Address: and union instructor

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Dr Divine Pryor
Address: 510 Gates Ave BK NY 11216
I represent: Center for Nuleadership on Urban Solutions
Address: Same as above

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: JAMES HEYLIGER
Address: 135-20 LIBERTY AVE
I represent: ASSOCIATION OF MINORITY ENTERPRISES & INC
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Ben Kallos

Address: _____

I represent: City Council candidate

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Keith Wrightson

Address: _____

I represent: Public Citizen

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Joel Shuffo

Address: _____

I represent: NYCASH

Address: _____

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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Date: 10/28

(PLEASE PRINT)

Name: Matt Ryan

Address: _____

I represent: ALIGN

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

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Date: 10/28

(PLEASE PRINT)

Name: Sarah Johnson

Address: _____

I represent: WEP

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Maria Espinal

Address: _____

I represent: NYC DC of Carpenters

Address: _____

▶ Please complete this card and return to the Sergeant-at-Arms ◀

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Joe Carter

Address: _____

I represent: Security officer, 32 BJ

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Loretta Swindell

Address: _____

I represent: Mason Tenders DC / laborer

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Marco Carrion

Address: _____

I represent: Central Labor Council

Address: _____

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK**

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Lenore Friedlander

Address: _____

I represent: 32 BC, BUNYC

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Devin Maroney

Address: _____

I represent: HTC

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Santos Rodriguez

Address: _____

I represent: BCTC

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Javon Chambers

Address: _____

I represent: RTEA

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Joe Carter

Address: _____

I represent: 32 BJ

Address: 25 W 18th Street

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Sarah Johnson

Address: 275 7th Ave.

I represent: WFP

Address: 275 7th Ave.

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Manco Camion

Address: 275 7th Ave

I represent: NYC CLC

Address: 275 7th Ave.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Lenore Friedlaender

Address: _____

I represent: ~~Build Up NYC~~ Build Up NYC

Address: 25 W 8th Street

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Loretta Swindell

Address: _____

I represent: Laborens

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**Submitting testimony not speaking*

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: LOU Coletti

Address: _____

I represent: BTEA

Address: _____

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Carol Rattrey

Address: _____

I represent: Ironworkers

Address: _____

THE COUNCIL THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Mania Espinal

Address: _____

I represent: Carpenters

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Joel Shufro

Address: _____

I represent: NY COSH

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Ed Jesse

Address: _____

I represent: Staten Island NAACP

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Matt Ryan

Address: _____

I represent: ALIGN

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Keith Wrightson

Address: _____

I represent: Public Citizen.

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Joe Carter

Address: _____

I represent: Build up NY

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Josh Kellermann

Address: _____

I represent: ALICN

Address: 70 Broadway

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Harvey Epstein

Address: 123 William St., NY NY

I represent: Community Developm Project, Urban Justice Center

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Loretta Swindell

Address: 110 Monument Walk SF

I represent: Local 79 - Build up new York

Address: 520 West 8th Ave

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Carole Raffrey

Address: 210 Dean St., Brooklyn NY 11217

I represent: Local 197 Build up NY

Address: 25W 18th St., NY, NY 10011

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**THE COUNCIL
THE CITY OF NEW YORK**

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Maria Espinal

Address: 543 76th St Brooklyn

I represent: Local Union 740/Build up

Address: _____ NYC

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Juan Hoy

Address: 98-23 Horace Harding Dr Queens NY 11365

I represent: Local #1 I.U.E.C

Address: Buildup NYC

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THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28

(PLEASE PRINT)

Name: Mike Corbett

Address: _____

I represent: _____

Address: _____

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Keith Wrightson

Address: 5701 Grandzy Road Derwood MD 20855

I represent: Public Citizen

Address: 215 Pennsylvania ave Wash DC 20003

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Dan Martin

Address: _____

I represent: NYC Housing Partnership

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Joshua Brown

Address: 210 W. 146th St Apt 6A NY NY

I represent: Brownstone Construction Corp.

Address: SAME

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Rainie Flowers

Address: 790 Mac Donough St

I represent: People For Political And Economic

Address: Empowerment

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: MARTIN ALLEN

Address: 790 Macdonough St BKLYN .11233

I represent: P P E CONSTRUCTION

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10-28-2013

(PLEASE PRINT)

Name: Alexander Riley

Address: 2926 West 25th St Brooklyn, NY 11224

I represent: P.P.E.F

Address: 790 Macdonough St Brooklyn, NY 11233

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10-28-13

(PLEASE PRINT)

Name: ED BROWN

Address: _____

I represent: The Underserved

Address: Brooklyn, NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Seth Hakeem Hill

Address: 847 Halsey St

I represent: Small Business Contractors

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: TIMOTHY JONES

Address: 145 Pulaski Street Bklyn, NY 11221

I represent: P.P.E.E.

Address: 796 Macco Jonda

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Lawrence Rosano

Address: 213-09 41st Avenue, Suite 1E, Bayside, NY 11361

I represent: Queen Bronx Building Assoc

Address: 16-66 Bell Blvd, #145, Bayside, NY 11360

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Vincent Riso

Address: 36-35 Bell Blvd Bayside NY 11361

I represent: The Briarwood Organization

Address: 36-31 Bell Blvd Bayside NY 11361

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/29/2013

(PLEASE PRINT)

Name: Alexandra Hansen

Address: 242 W 30th St 3rd Fl.

I represent: NYSAAFAH

Address: same

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Gary Rodney

Address: 885 2nd Ave, NY, NY

I represent: Omni New York LLC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Cesar Guzman

Address: 150 Myrtle Ave

I represent: BFC Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Brad Richards

Address: 150 Myrtle Ave

I represent: BFC Partners

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/29/13

(PLEASE PRINT)

Name: Randy Marcus

Address: 1260 Herkimer St

I represent: Paw Construction

Address: 186 Richard St

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10-28-13

(PLEASE PRINT)

Name: Joel Youngblood

Address: 760 Dekalb Ave., Bklyn, NY 11216

I represent: Mt. Pisgah Baptist Church

Address: 760 Dekalb Ave., Bklyn, NY 11216

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1169

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: He Kouko Aka

Address: L+M Development Partners

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: Michael (PLEASE PRINT) GIBBAM

Address: 89 Chictav

I represent: Labour 79 - non union

Address: 740 Macdonald Ave

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Louis Rivera

Address: _____

I represent: CRV Precast construction

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Gerardo Sanabna

Address: _____

I represent: L+M Development + Partners

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Robert Bevins

Address: _____

I represent: L-M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Nelson Astacio

Address: _____

I represent: L-M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Mentor Haxhija

Address: _____

I represent: LSM Development Partners

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Lincoln Samuel

Address: _____

I represent: L-M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Gerald Miceli

Address: _____

I represent: L-M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Roger Thomas

Address: _____

I represent: L's M Development Partners

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Alex Pena

Address: _____

I represent: L & M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Lawrence Rosano

Address: _____

I represent: Queens Bronx Building Association

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Vicent Roman

Address: _____

I represent: The Financial Organization

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1169

in favor in opposition

Date: _____

Name: ~~Jeff~~ (PLEASE PRINT) Jeff Ferrero

Address: LIM

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. 1169

in favor in opposition

Date: _____

Name: ~~Jeff~~ (PLEASE PRINT) Andrew Carmate

Address: LIM

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10/28/13

Name: (PLEASE PRINT) Gerry Miceli

Address: 186 Seton Drive

I represent: L&M Builders Group

Address: 1865 Palmer's Avenue

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1169

And in favor in opposition
Date: _____

(PLEASE PRINT)

Name: Julian Thomas

Address: 27th St

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. 1169

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: T. J. Castro

Address: 47th St

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

1169

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Mr James Barnister

Address: 47th St

I represent: _____

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 11109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Ron Moelis

Address: _____

I represent: L&M Development Partners

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Triniece T. Frazier

Address: 200 Tillam Street Brooklyn NY 11207

I represent: ERP Corporation

Address: 700 McDonough

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Edwin Smith

Address: 2790 86 Street

I represent: PPEE Inc

Address: 790 McDonough

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Shamender Clayton

Address: 113 Stuyvesant Ave Brooklyn N.Y. 11221

I represent: P.P.E.F

Address: 790 Mc Donagh

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Robert S Altman

Address: _____

I represent: Queens & Bronx Building Association

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Mosel Gates

Address: 50 Bood

I represent: ANHD

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: DAMAR
Address: 60 SACKETT ST
I represent: C.H. BUILDERS &
Address: COMMUNITY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: MITT WEIMAN
Address: 60 SACKETT ST - Brooklyn NY 11239
I represent: CH BUILDERS
Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____
 in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: JESSICA WALKER
Address: One Battery Park Plaza, NY, NY 10027
I represent: Partnership for New York City
Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: Oct 28, 2013

(PLEASE PRINT)

Name: Tommy Holliday

Address: 8 Jardine Place

I represent: CLERY TASK FORCE

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: THOMIE WATERS / HAZEL DUKES

Address: 2460 A.C.P. JR BVD, NYC 10030

I represent: NAACP

Address: 1065 6TH AVE, NYC 10018

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1109 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: Paul Johnson

Address: _____

I represent: BRP Development

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Larry Ingram

Address: _____

I represent: BRP Development

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/2013

(PLEASE PRINT)

Name: Francis Feliz

Address: _____

I represent: BRP Development

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10-28-13

(PLEASE PRINT)

Name: TED HOUGHTON

Address: 247 W. 37th St 18th Fl. NY NY 10013

I represent: SUPPORTIVE HOUSING NETWORK OF NY

Address: (above)

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____

in favor in opposition

Date: 10/28/13

(PLEASE PRINT)

Name: LEW BRITTON

Address: 63 Flushing Ave, Suite 310, Brooklyn, NY 11205

I represent: HR 2010-K STEPP ASSOC. OF HIGHWAY CONTRACTORS

Address: AS ABC

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: (FAM) SEIBER (PLEASE PRINT)

Address: 1903 New York St

I represent: FAMILY COURT II

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: Melissa Shetler (PLEASE PRINT)

Address: _____

I represent: BTEA

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1169 Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: NANCY LEPRE
Address: 47 OAK LANE, PELHAM, NY 10803
I represent: AVANTE CONTRACTING CORP.
Address: 180 E. PROSPECT AVE
MAMARONECK NY 10543

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: 10/29/13

(PLEASE PRINT)

Name: ROBERT EZRAPOUN
Address: 316 W 118 NYC
I represent: ARTIMUS CONSTRUCTION
Address: 316 W 118

Please complete this card and return to the Sergeant-at-Arms