

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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March 28, 2012

Start: 10:56 a.m.

Recess: 11:15 a.m.

HELD AT: Council Chambers
City Hall

B E F O R E: DOMENIC M. RECCHIA, JR.
Chairperson

COUNCIL MEMBERS:

Gale A. Brewer
Leroy G. Comrie, Jr.
Lewis A. Fidler
Helen D. Foster
Robert Jackson
G. Oliver Koppell
Darlene Mealy
Diana Reyna
Joel Rivera
Albert Vann
Fernando Cabrera
Julissa Ferreras
Karen Koslowitz

A P P E A R A N C E S

COUNCIL MEMBERS:

James G. Van Bramer

Vincent M. Ignizio

James S. Oddo

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2 CHAIRPERSON RECCHIA: I apologize
3 for being late. Usually we start on time. I have
4 to apologize. I was in a meeting with the
5 Speaker. Some issues came up this morning we had
6 to resolve. Before we move forward with today's
7 hearing, I'd like to recognize all my wonderful
8 colleagues who have joined us today. To my left,
9 we have Joel Rivera, Karen Koslowitz, Jimmy Van
10 Bramer. To my right, we have Fernando Cabrera,
11 Diana Reyna, Julissa Ferreras, Vincent Ignizio,
12 Gale Brewer and Melissa Mark-Viverito. Okay.
13 We've got it.

14 Today's Finance we have six items
15 on our agenda. We have proposed Intro 18-A,
16 otherwise known as the prevailing wage bill
17 sponsored by my colleague, Council Member Melissa
18 Mark-Viverito and four Land Use items. I just
19 want to give a shout out to Melissa. She did a
20 great job with this bill, and I want to thank all
21 your support and your leadership on this. Let's
22 first start with the City Council's annual
23 operating budget. Under the City Charter, the
24 Council has until March 10th to submit to the mayor
25 its own operating budget for next fiscal year.

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2 This date was extended to March 29th and this
3 legislation was passed by this Committee in
4 January. This year, the Council budget totals
5 just over \$52 million, which is the same amount of
6 the Council's budget last year, but reflects a
7 1.5% decrease from the year before in 2010.

8 Before I move on to the next item, I want to make
9 sure that it does not go unnoticed - - charged
10 with monitoring the operation and performance of
11 city agency, analyzing and improving the city's
12 budget, performance and responsibilities in the
13 land use process, and of course, passing laws.
14 The Council has done all of this with a budget
15 that totals less than one tenth of 1% of the
16 city's total budget, which is over \$65 billion.
17 This is a testament to the remarkable leadership
18 of Speaker Quinn.

19 Our next items are land use items.
20 The following four items will receive property tax
21 exemptions through HPD. The Southern Boulevard
22 Apartments, the Quadrant Properties, HDFC, the
23 Mutual Housing Association of New York in
24 Brooklyn, which provides low rental housing in
25 Council Member Vann's district. The other two are

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2 in Council Member Arroyo's districts, and then
3 finally, the Israel Senior Housing, which provides
4 low rental housing for the elderly in Council
5 Member Sander's district. All four members
6 support these items.

7 Last, but certainly not least, we
8 will now turn our attention to a historic piece of
9 legislation, the prevailing wage bill, which is
10 sponsored by Council Member Melissa Mark-Viverito.
11 The intent of this bill is require certain
12 developers who receive government funding and
13 certain building owners who lease space to the
14 city to pay their building services employees the
15 prevailing wage. If you remember, we had the
16 first hearing on this bill almost two years ago on
17 May 11th, 2010 during the executive budget
18 sessions. At the hearing, we had lots of
19 supporters of the bill. We also had lots of
20 opponents. Supporters were excited that we were
21 able to provide prevailing and competitive wages
22 to a sector of employees that provide necessary
23 services to hundreds of properties and projects
24 throughout the city. Opponents of the bill, who
25 were usually excited, actually who were also very

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2 excited in a different way, also had a lot to say.
3 They said that small businesses, manufacturing
4 firms and not for profits would have a difficult
5 time paying the prevailing wage and therefore
6 would relocate out of the city or not enter the
7 city at all. They said that requiring people who
8 receive only \$10,000 in government funding was too
9 low of a threshold to trigger the prevailing wage
10 requirement and would go beyond the realm of big
11 developers that the bill sought to - - target.
12 They said that prevailing wage would make it
13 difficult to build, operate, manage affordable
14 housing projects. Well, guess what? We heard them
15 all, and we listened. After almost two years of
16 working with the administration and the public,
17 Speaker Quinn and myself and with the input from
18 32 - - among others, we finally have a bill that
19 provides increased wages to building service
20 workers without causing damages to the financial
21 health of New York City. To do this, we did the
22 following: we increased the financial assistance
23 threshold for developers covered under this bill
24 to \$1 million, we excluded small business, we
25 excluded not for profits, we ensured that truly

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2 affordable housing projects were protected, we
3 excluded bids, we excluded manufacturers and we
4 excluded health and hospitals corporation
5 projects. I believe this bill has been
6 substantially improved and is one that we should
7 all be proud of. I want to thank - - , HPD, BDC
8 and the Mayor's Office, who worked extremely hard
9 with myself and my staff to ensure that the
10 provisions of this bill were written in a way that
11 accomplished our shared goals. I want to thank
12 Council staff who worked on this bill around the
13 clock for months. I want to thank my director of
14 finance, Preston Niblack, first deputy director,
15 Jeffrey Rodus [phonetic], and especially counsel
16 to my Committee, Tanisha Edwards. Let's give them
17 a round of applause. Stand up, Tanisha. Stand
18 up. It's well deserved.

19 [applause]

20 CHAIRPERSON RECCHIA: I'm very
21 proud of her. I want to thank Roman Jeskey
22 [phonetic], Emra Aviv [phonetic], Paul Stain
23 [phonetic] and Anthony Barrudo [phonetic], all
24 played a very important role in this process.
25 Okay? Now, let's give a round of applause to all

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of them. Okay.

[applause]

CHAIRPERSON RECCHIA: Now above all, I want to thank the leadership, the Speaker, Speaker Quinn, for her great support for supporting this legislation and her leadership. Her leadership is remarkable. This bill has been around for some time, and it's under the leadership of Speaker Quinn that this bill was transformed into the bill before us today. I am honored to have this bill move through my Committee and have to work so closely with Speaker Quinn, with Melissa Mark-Viverito - -. We have worked together to make sure this bill was something that the Council could pass with pride. We know that we have crossed all our T's and dotted all our I's before passing this legislation. Building service workers - - been viewed as a gateway to the middle class for New York City residents, particularly for immigrants. By providing prevailing wage to building service employees the Council has taken a big step toward protecting the middle class, and this is just the beginning. At this time, I'd like to recognize

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2 the sponsor of the bill, Council Member Melissa
3 Mark-Viverito for a statement, but before we do
4 that, I would like to introduce Leroy Comrie,
5 Robert Jackson, Helen Diane Foster, Oliver Koppell
6 and Al Vann. Council Member?

7 COUNCIL MEMBER VIVERITO: Thank
8 you. Good morning. Thank you, Domenic. I think
9 Domenic summed up the bill very nicely, so I don't
10 think I have to repeat the summary of the bill,
11 but I want to mention as a promoter of economic
12 development, the city commits significant
13 resources, including millions of dollars in
14 subsidies and incentives for development projects
15 across the city. Further, as a tenant, the city
16 spends millions of taxpayer dollars each year
17 leasing space for city agencies from private
18 landlords. This bill we're voting on today stems
19 from the Council's concern that many individuals
20 benefit tremendously from profitable city leases
21 or generous economic development financial
22 incentives. These people are very fortunate;
23 however, many of the same people do not ensure
24 that the building service employees that they
25 employee or use receive the prevailing wage. We

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2 wanted to fix this. Because of the Council's
3 work, building service workers affected by this
4 legislation will now see a 35% to 45% increase in
5 their hourly wages. The average cleaner
6 [phonetic] will now make \$24 an hour and plus
7 \$8.76 in benefits. For security guards, they will
8 now make on average about \$12.85 an hour plus
9 \$4.56 in benefits. This legislation makes a
10 difference that building service workers and their
11 families will be able to see and feel and will
12 make a tremendous impact on the lives of many New
13 Yorkers who are in search of employment
14 opportunities that will serve as a vehicle to a
15 middle class standard of living. Our economic
16 development policies must be - - not only benefit
17 developers and business owners, but to create as
18 many good quality, family-sustaining jobs as
19 possible. This legislation moves us further in
20 this direction and I am proud to be the prime
21 sponsor of this bill. Before I turn the mic back
22 to Domenic, I just also want to extend thanks to a
23 lot of the people that Domenic mentioned, the
24 Chair mentioned. I want to thank everyone who
25 worked diligently on this bill, Preston Niblack,

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2 Tanisha Edwards, - - and Anthony - - from the
3 finance division as well as my staff. I also want
4 to thank the administration for working with us on
5 the bill and - - for offering advice I used to
6 improve the bill. It was a collaborative effort
7 by all of us indicated. It took a long time to
8 get here, but I'm very happy that we've arrived at
9 this point, and many, many individuals will
10 benefit from this, and we're a better city because
11 of it. And of course, I want to thank Speaker
12 Quinn in particular, who provided great support
13 for the passage of this bill and to get this to
14 the point where we are. I want to thank obviously
15 the Chair, Domenic Recchia, who sits here and who
16 I'm proud to call a friend. Domenic and I share a
17 lot of the same beliefs and believing that
18 building service workers deserve a competitive pay
19 is one of them. - - you and your staff, Domenic,
20 I've - - to work on this. I really thank you and
21 for moving this forward in the Finance Committee
22 and for voting on it today. I look forward to the
23 passage of this bill. Thank you.

24 CHAIRPERSON RECCHIA: Okay. Thank
25 you, Melissa. We're joined by Council Member

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2 Lewis Fidler. Does anyone have any questions?
3 Without seeing any questions, call the roll
4 please?

5 COMMITTEE CLERK: William Martin,
6 Committee Clerk. Roll call vote in the Committee
7 on Finance. Council Member Recchia?

8 CHAIRPERSON RECCHIA: I encourage
9 all my colleagues to vote aye on all. Aye on all.

10 COMMITTEE CLERK: Rivera?

11 COUNCIL MEMBER RIVERA: I vote aye
12 on all.

13 COMMITTEE CLERK: Reyna?

14 COUNCIL MEMBER REYNA: Aye on all.

15 COMMITTEE CLERK: Brewer?

16 COUNCIL MEMBER BREWER: I vote aye
17 on all and certainly thank Melissa Mark-Viverito
18 and - - and Mike - - was on New York 1 last night,
19 and what he said was, even for those who think - -
20 Melissa Mark-Viverito mentioned in terms of a - -
21 hourly, think again because in order to raise a
22 family of four in the city of New York, as Mike -
23 - stated at \$2,000 a month rent, that's half of
24 your salary right there. That's not even enough,
25 so the fact of the matter is that this particular

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2 bill when you add it all up is actually not a lot
3 per family, but it is certainly something to
4 strive for, and God knows, those families need the
5 funding and we need their - - dollars to be
6 circulated in the neighborhood, which is what they
7 will be because those are the families who are
8 investing. I vote aye. Thank you.

9 COMMITTEE CLERK: Comrie?

10 COUNCIL MEMBER COMRIE: Aye on all.

11 - - . Aye on all.

12 COMMITTEE CLERK: Fidler?

13 COUNCIL MEMBER FIDLER: - -

14 COMMITTEE CLERK: Foster?

15 COUNCIL MEMBER FOSTER: Aye on all.

16 COMMITTEE CLERK: Jackson?

17 COUNCIL MEMBER JACKSON: Mr. Chair,
18 may I be excused to explain my vote?

19 CHAIRPERSON RECCHIA: Yes, you may.

20 COUNCIL MEMBER JACKSON: Thank you.

21 First, let me thank all of the parties that were
22 involved in putting this piece of legislation
23 together and especially getting to where we are
24 today, and obviously, Chair Recchia, you
25 acknowledged the staff involved - - and all the

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2 others for reaching a consensus on a bill in which
3 if when you talk about without benefits, \$10 an
4 hour, \$10 an hour equals times 40 hours a week,
5 which is the average workweek, \$400 a week. \$400
6 a week. Think about that. I want you to think
7 about if you can live in \$400 a week. Then, take
8 out your calculator and put times 52. That's
9 \$20,800 a year. Mind you, that's gross, not
10 including the tax they take out, not including
11 anything else. That's gross. You think about
12 that. And if you say no, if anyone says no to
13 this piece of legislation, then think about what
14 those - - now, and then I want you to live off of
15 that for a year and come back here and tell us no.
16 So with that, Mr. Chair, I want to thank all of
17 the parties involved. I understand our Mayor Mike
18 Bloomberg said he would veto this, and I
19 understand from our Speaker that we have enough
20 votes to override it. Clearly, this is a good
21 piece of legislation knowing that we're talking
22 about organizations that receive city subsidies of
23 a million dollars or more and it excludes many
24 small business, so I thank all of those involved,
25 and I emphatically vote yes.

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CHAIRPERSON RECCHIA: Thank you.

Continue the roll call.

COMMITTEE CLERK: Koppell?

COUNCIL MEMBER KOPPELL: Aye on
all.

COMMITTEE CLERK: Vann?

COUNCIL MEMBER VANN: - -
congratulations, Melissa. Aye on all.

COMMITTEE CLERK: Ferreras?

COUNCIL MEMBER FERRERAS: Aye on
all.

COMMITTEE CLERK: Cabrera?

COUNCIL MEMBER CABRERA: Aye.

COMMITTEE CLERK: Koslowitz?

COUNCIL MEMBER KOSLOWITZ: Aye.

COMMITTEE CLERK: Van Bramer?

COUNCIL MEMBER VAN BRAMER:

Permission to explain my vote? I just want to
congratulate my colleague, Councilwoman Melissa
Mark-Viverito for her tenaciousness with respect
to this and obviously - - does an amazing job
every single day on behalf of working - - city,
and I've said before and they know this that I was
raised by my stepfather who was a janitor and he

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2 died - - years ago, but were her still alive
3 today, he would be a member of local authority - -
4 , and it is a great day for workers and for
5 justice in the workplace, and every little bit
6 helps when you're struggling to pay the rent. I
7 just want to congratulate the Speaker and everyone
8 for making this day happen for - - who worked
9 every single day, and to veto a bill like this, I
10 think is just incredibly wrong to deny people what
11 is rightfully theirs, which is dignity and every
12 single worker should have that. Thank you.

13 COMMITTEE CLERK: Fidler?

14 COUNCIL MEMBER FIDLER: Aye on all.

15 COMMITTEE CLERK: Ignizio?

16 COUNCIL MEMBER IGNIZIO: No on 18-A
17 and aye on the others.

18 COMMITTEE CLERK: Oddo?

19 COUNCIL MEMBER ODDO: No on 18-A
20 and aye on all the rest.

21 COMMITTEE CLERK: By a vote of 16
22 in the affirmative, zero in the negative and no
23 abstentions, all items have been adopted with the
24 exception of Introduction 18-A, which has been
25 adopted by a vote of 14 in the affirmative, two in

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2 the negative and no abstentions. Council Members,
3 please sign the Committee reports.

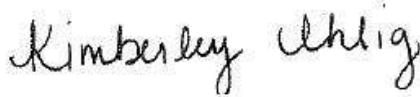
4 CHAIRPERSON RECCHIA: We'll keep
5 the vote open until 11:30. This meeting is
6 adjourned.

7 [gavel]

C E R T I F I C A T E

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

Signature _____



Date _____

4/7/12