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BUILDING AND CONSTRUCTION TRADES COUNCIL OF NEW YORK STATE

AMERICAN FEDERATION OF LABOR OF CONGRESS OF INDUSTRIAL ORGANIZATION

TESTIMONY OF PAUL FERNANDES CHIEF OF STAFF BUILDING AND CONSTRUCTION TRADES COUNCIL OF GREATER NEW YORK

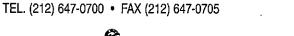
SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

JULY 25, 2011

Good afternoon, Mr. Chairman and Members of the Subcommittee. We are pleased to testify in support of the amendment to the parking requirement that will allow the economic development and job creation generated by the construction of the Gotham Center to continue.

Phase 1 of this project has already created 1,400 construction jobs. Phase 2 will create an additional 1,500 construction jobs at a time when few major private commercial projects of this significance are advancing. Without this amendment, Phase 2's viability will be severely threatened.

Average monthly employment in June in New York City's construction industry was 26,400 jobs less than the peak three years ago in 2008 and now stands at the lowest level since 1998. Worse still, wages have virtually stagnated, with preliminary data for 2010 indicating an annual increase of only 0.57%. In short, thousands of working men and women in the construction industry are in distress and need every bit of economic activity that can be responsibly provided.





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Gotham Center clearly represents such economic activity. Phase 2 of this project will be developed, as was Phase 1, by one of the most reputable names in the business. Tishman Speyer is not only a gold plate name in real estate development, it is also a gold plate name in the unionized building and construction trades.

Tishman Speyer properties are built using union labor of the building and construction trades who are paid good wages with health insurance and pensions. That is clearly not the case with a number of developers who come before this Subcommittee and the Council, and we encourage Members of the Subcommittee and the Council to consider this important fact.

We urge the Subcommittee and the Council to approve the amendment needed to allow Phase 2 of this project to proceed, and will be pleased to work with you toward this goal. Thank you for your consideration.



MASON TENDERS' DISTRICT COUNCIL OF GREATER NEW YORK POLITICAL ACTION COMMITTEE

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Testimony of Michael J. McGuire before the Subcommittee on Planning, Dispositions and Concessions re: LU 0434-2011 ULURP application no. C 110225 PPQ July 25, 2011

Good afternoon Chairman Levin and distinguished committee members. My name is Michael J. McGuire and I am the Director of the Mason Tenders' District Council of Greater New York and Long Island Political Action Committee. The Mason Tenders' District Council is comprised of more than 15,000 members in five local unions of the Eastern Region of the Laborers' International Union of North America. These locals represent men and women working throughout the five boroughs and Long Island as building construction laborers, mason tenders, plasterer's helpers, demolition workers, recycling plant employees, high school teachers and asbestos, lead and hazardous material abatement laborers.

I come before you today to speak on behalf of the Gotham Center project. As you know, Two Gotham Center is a building that is already fully leased to the New York City Department of Health and Mental Hygiene (DoH). DoH has approximately 2700 employees in the building—which is their new headquarters—consolidating over 15 different office locations scattered throughout the City. As such, the DoH has streamlined operations and in consolidating their workforce into one space, has saved New York City a great deal of sorely needed revenue dollars.

The rest of the block is slated for a proposed project that will create 1,600 construction jobs and 3,600 permanent jobs. In these dire financial times, we

cannot afford to turn our backs on this kind of economic development. Economists will tell you that the recession ended in June of 2009, more than 2 years ago. Yet some sectors of my industry still have more than 40% of their workforce unemployed.

Recent job numbers released by the US Department of Labor Bureau of Labor Statistics (DoL BLS) were even more startling. The June 2011 report showed virtually no gain in employment, with the national unemployment rate at 9.2%. However, this number is extremely misleading because it does not include what are classified as "discouraged workers" and "persons marginally attached to the workforce", essentially, those who have given up trying to find work in this economy. DoL BLS does not count them as unemployed because they are not actively seeking work. This little bit of smoke and mirrors hides the fact that the real unemployment number is not 9.2%, but in reality is more than 16%, when these other classifications are factored in.

I understand that the issue of parking spots is one of great importance to a certain segment of the community. The next phase of Gotham Center will bring an additional 388 parking spaces to the site accompanying the 162 created in Phase 1 for a total 550 spaces. If this is not acceptable to certain members of the community, accommodations can be worked out. However, if I am one of the long-term unemployed in the community, I'd rather be able to feed my children than quibble over a handful of parking places.

To go back to the most recent BLS statistics, of the bogus 9.2% of the population that is unemployed, 44% have been out of work for more than 27 weeks, and the average duration of unemployment for all of that 9.2% is 32.8 weeks—more than 8 months. If you factored in the discouraged workers, which the BLS *does not do*, the numbers would be much, much worse. Why? Because to be one of 1.2 million workers classified as discouraged, you'd have to have stopped looking for work. I daresay that most people with this classification are likely much longer-

term unemployed than the 8 months reflected in the people included in the survey.

Two years ago, an economic development project was killed in the Bronx, with a local politician famously saying: "The people of this community would rather have no jobs than the bad jobs (the developer) is offering". At the time, unemployment in the Bronx (again, not including discouraged workers) was almost 14%. I wonder if that politician asked that 14% of his constituency about his statement before he killed 1,100 construction jobs and more than 2,000 permanent jobs?

We are in a dire economic climate. The economy of that State is in bad shape. Battles rage in the City over the laying off of teachers and the closing of firehouses. Yet an economic development project that will create some 5,200 desperately needed jobs is in jeopardy due to a fight over the number of parking spots. Let's deal with reality here. New York City needs to go back to work. I urge the passage of LU 0434-2011 with all due haste. Thank you.

Respectfully submitted, Michael J. McGuire July 25, 2011

July 25, 2011

Gotham Council Sub-Committee Hearing

Good morning Chair Levin, Councilman Van Bramer and members of the Subcommittee. I'm Robert Goldrich, Senior Policy Advisor to Deputy Mayor Robert Steel, and I am here to speak on the Gotham Plaza ULURP application in front of you today.

The Administration strongly believes that approval of these actions, including the amendment to the required parking, will provide for the timely completion of the second phase of the Gotham Plaza project and the continued renaissance of Long Island City.

Gotham Plaza is located on the site of the former Queens Plaza parking garage in Long Island City. Ten years ago, to great fanfare, the City put forward a plan to demolish the garage, dispose of the property, and develop the site. In September 2003, Tishman Speyer was selected through a competitive process as the site's developer. After demolishing the garage in late 2008, Tishman Speyer began construction of Phase 1 of the site, which includes 523,382 sf of office space and 162 parking spaces, and was completed last year.

Construction of Phase 2 would bring an additional 388 parking spaces to the site and contribute to approximately 1500 new construction jobs and 3600 permanent jobs, based on analysis by the Economic Development Corporation (EDC).

The combined 550 parking spaces on the site is a reduction from the 1150 parking spaces at the old municipal garage, which included 129 City-owned vehicles (51 NYPD and 78 DOT). Accordingly, a modification to the existing disposition from 2001 is necessary for the second phase of this development to move forward.

In 2001, when the original land-use actions took place for the re-zoning of Long Island City and the disposition of the Queens Plaza Garage, it was understood that the amount of parking would be revisited when a developer was selected for the Queens-Plaza garage site. As far back as the 1980s, the City identified Long Island City as a transit-rich Central Business District. The reduction of spaces at this location supports this long-standing policy objective of creating a transit-oriented, mixed-use environment in this and other similarly endowed areas.

A traffic study completed by AKRF in consultation with City Planning concluded that 550 spaces is an appropriate number of spaces for this location. The parking study also determined that additional spaces will create congestion in an area that already has heavy traffic from Queens Plaza and the Queensborough Bridge.

Separately, I would like to address concerns that we have heard from Councilman Van Bramer and community leaders about parking of official city cars and cars with illegal placards in Dutch Kills across Queens Blvd from the Gotham site.

There are 3 groups of City vehicles that we have identified, many of which had previously parked at designated spaces at the former Queens Plaza Garage and at Queens Plaza East:

DOT Vehicles NYPD traffic management School safety vehicles

For DOT vehicles, the City has built a 50-space designated lot under the Queensborough Bridge at 23rd Street. DOT has also relocated 25 vehicles to an area under the #7 train that had not previously been available to the public and 38 vehicles to the underutilized public DOT parking garage at Courthouse Square. DOT has authorized the towing of any illegally parked vehicles that are on the streets of Dutch Kills.

NYPD traffic management cars are the smallest group of parkers and represent only a few cars of the police who are working at the DOT traffic management Center. These were not previously parked at the Queens Plaza garage and will remain in the area.

For School Safety vehicles, the NYPD has begun construction of a new, 50-space designated parking facility. This lot will be under the Queensborough Bridge approach by Dutch Kills Street and when it's complete in the fall will be the new home for all the school safety police vehicles.

We've also engaged the NYPD regarding the very real problem of illegal parking placards and illegally parked cars in the area surrounding Queens Plaza. DOT has asked the NYPD to enforce and tow illegally parked DOT vehicles. We are also working with the NYPD to address the illegal placard issue and have asked them to enhance enforcement. In the past two months, NYPD's internal affairs bureau has begun and will continue to conduct enforcement sweeps of the area targeting cars with illegal placards.

We believe the new DOT and School Safety parking lots, combined with this renewed focus on enforcement against illegal placards, will alleviate the concerns expressed by the community and we thank Councilman Van Bramer for his leadership in addressing these issues.

Finally, and in conclusion, the project will bring 900,000 square feet of commercial and retail development and 3600 full-time jobs into Long Island City, furthering the renaissance of what this Administration considers to be one of the crown jewels of Queens and, indeed, all of New York City. The parking study concludes that more than 550 spots is unnecessary in this transit-rich area. Failure to reduce the required parking will mean that the second phase may not get built, leaving Long Island City with a half-complete project, an ugly hole in the ground, and only the 162 accessory parking spaces in Phase 1. This would be a major step backwards.

Accordingly, on behalf of the Administration, I encourage the Subcommittee to approve the application in front of you today.

I am happy to answer any questions you may have. Additionally, I am joined by William Rice from Gensler and Chi Chan from AKRF as well as representatives form EDC and Tishman Speyer who are present to answer any technical questions you may have about the parking analysis and the project's components.

THANK YOU.

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