

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONTRACTS

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April 30, 2012
Start: 10:38 a.m.
Recess: 11:50 a.m.

HELD AT: Council Chambers
City Hall

B E F O R E:
DARLENE MEALY
Chairperson

COUNCIL MEMBERS:
Robert Jackson
Letitia James
Melissa Mark-Viverito
Michael C. Nelson

CHAIRPERSON MEALY: Good morning.

My name is Darlene Mealy. I serve as the Chair of the New York City Council Committee on Contracts. It is my pleasure to welcome you all here today for the vote on proposed Intro 251-A—the Living Wage Bill. Thank you all for attending. Before we proceed, I would like to recognize my fellow Council Members; Council Member Mike Nelson, Mr. Robert Jackson, and Council Member Oliver Koppell and Council Member Letitia James.

Proposed Intro 251-A would require direct recipients of financial assistance from the city to pay employees a minimum of \$10 an hour plus health benefits or \$11.50 per hour without health benefits. The Committee has held two hearings on prior versions of this legislation, and while the details of the bill have changed, the principle behind the law remains the same. When the city spends taxpayer dollars to create jobs, it should make sure that they are good paying jobs—jobs that would help New Yorkers support themselves and their families. This bill ensures that fair wages can be provided in a way that does not threaten job growth. I am proud to

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2 be a co-sponsor of this legislation, and just for
3 the record, I would like to just thank Reverend
4 Anita Bernsen [phonetic], who is - - head of
5 operations. She was a strong advocate on this
6 regards, and now we will turn it over to—and the
7 union also—I will turn it over to Mr. Oliver
8 Koppell, who is the sponsor of the bill.

9 COUNCIL MEMBER KOPPELL: Thank you
10 very much, Madam Chair. I'm delighted we've come
11 to this point with the living wage legislation,
12 which—is it on?

13 MALE VOICE: It's on now.

14 COUNCIL MEMBER KOPPELL: Oh sorry.
15 I'm pleased that we've come to this stage and
16 hopefully, later passage of the living wage
17 legislation, which of course arose out of the
18 debate concerning the development of the - - with
19 heavy city subsidy where those of us in the Bronx
20 in the Council particularly with the support of
21 many of our colleagues from across the city
22 insisted that if those subsidies were going to be
23 given to the developer related company, they
24 should guarantee living wages at the job site.
25 One of the responses to that argument was, "well,

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2 this project should not be singled out. If we're
3 going to do something like this, it should be done
4 generally for subsidized projects wherever they
5 may be built in the city of New York." So after we
6 defeated the request to modify requirements with
7 respect to the Kings - - site and the developer
8 pulled out, we put in legislation which responded
9 to that particular demand and provided for living
10 wage requirements with respect to subsidized
11 projects throughout the city. Once we did that,
12 one might have expected those who opposed us on
13 King - - to come aboard, but they did not.
14 Notwithstanding the fact that living wage
15 legislation is in fact enforced in various
16 incarnations if you will in different ways in
17 different cities, notably I might mention Los
18 Angeles, San Francisco and Pittsburgh, but there
19 are many other communities that have these
20 requirements, and we have these requirements for
21 certain other jobs which the city supports,
22 including home care workers and of course, we've
23 had wage requirements with respect to government
24 supported projects that go back to the 1930s where
25 the Davis Bacon [phonetic] legislation under

1 federal law, which requires that federally
2 subsidized projects that construction workers at
3 federally subsidized projects be paid not only
4 living wages, but prevailing wages. That law was
5 signed into law by the well-known leftist - -
6 Herbert Hoover. I'm obviously being facetious,
7 but Herbert Hoover signed the Davis Bacon law in
8 the 30s, and as I say, he wasn't known as a
9 liberal. We now have legislation that is somewhat
10 limited because it applies only to the direct
11 recipient of subsidy, but clearly, direct
12 recipient of subsidy is the person who should be
13 held most responsible for paying living wage. In
14 addition, I might point out that the legislation
15 has language in it that encourages in very strong
16 way the city's economic development agency to take
17 into account living wage provisions when approving
18 projects in the future, and hopefully, the EDC or
19 whatever or the Economic Development Agency may be
20 involved will take those injunctions to heart and
21 we have very broad reporting statutes, reporting
22 requirements that will look at whether people in
23 these subsidized projects will pay the living
24 wage. Another important provision is that in
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2 stadiums and arenas—and while we have built a
3 number unfortunately before this law takes place;
4 I'm sure there will be more in the future—
5 concessioners have to pay living wage. So I think
6 we are making a very important step forward
7 indicating a policy of this Council and hopefully,
8 of this city and I'm very proud to be a lead
9 sponsor and appreciate the Speaker giving her
10 support on this legislation. I thank the Chair,
11 who as chair of this Committee became a co-sponsor
12 of this legislation I want to thank. I also want
13 to say that many people around the city, including
14 particularly the clergy, have been lobbying for
15 well over a year—see this as a moral issue in
16 addition to an economic issue, and I want to pay
17 particular tribute to some of the key supporters
18 particularly the Bronx Borough President who led
19 this fight, and we have in the audience today, Al
20 Rodriguez [phonetic], counsel to the Borough
21 President and Tom McKenian[phonetic], also on the
22 staff of the Borough President who worked very
23 hard to fashion this legislation, and of course,
24 the RWDSU, which was the union in the lead. There
25 are other unions too. We have Adam - - here who

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2 worked very hard on this with us and with the
3 Speaker's Office, and many, many thousands who
4 demonstrated, who came to our Council meetings and
5 who I think will see some real results from their
6 efforts in their advocacy. So Madam Chair, I'm
7 delighted that this is on the agenda. I hope it
8 will move out and then pass later today in the
9 Stated meeting.

10 CHAIRPERSON MEALY: Thank you. Any
11 other colleagues? We've been joined by Mark-
12 Viverito. She would like to have words.

13 COUNCIL MEMBER MARK-VIVERITO:
14 Thank you, Madam Chair, and I just want to
15 congratulate Council Member Koppell, - - and all
16 those obviously that have been mentioned, the
17 Borough President, RWDSU. I just want to make a
18 comment. I really have been highly offended as
19 I'm sure many have been with regards to our
20 Mayor's comments last week when it came to his
21 statements regarding prevailing wage and the
22 living wage. We had a hearing here several weeks
23 ago with the Community Development Committee that
24 has the Commission on Economic Opportunity—the
25 "Poverty Commission"—that the Mayor had set up to

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2 talk about the new indicator, right? And being a
3 more comprehensive indicator that really captures
4 quality of life, how expensive it is to live in
5 New York City, and according to their own figures
6 what that revised indicator—poverty has increased
7 in the city of New York. We have 28% of our
8 children living in poverty. The rate of poverty
9 overall increased by 1.3%, and according to them
10 themselves that even if you were to factor someone
11 that was making minimum wage working full-time
12 with safety net programs like food stamps, et
13 cetera that person would still and that family
14 would still be well below the poverty level. That
15 is not acceptable in this city. We should be
16 aspiring to a higher standard. We should be
17 encouraging our businesses to be paying better and
18 providing better benefits, and that is the policy
19 that we should be enacting in the city. That is
20 the message that we're sending not only through
21 the prevailing wage bill, but also now with the
22 living wage bill, that we aspire to help families
23 have quality jobs that are going to lift them out
24 of poverty. We should not be aspiring to be a
25 city that has wages to the bottom when it comes to

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2 wages and benefits, so I am very proud of signing
3 onto this bill. I stand side by side with all
4 those, and I really want to thank Speaker Quinn
5 for her very strong comments in response to the
6 Mayor's comments against these two bills and now
7 will become law because it is about the middle
8 class and the working poor in the city that we
9 need to help, and that is the message of these
10 bills that will be law in the city of New York.
11 So thank you very much to all that made this
12 happen.

13 CHAIRPERSON MEALY: Again, thank
14 you all for attending. With no further to do, we
15 will let—now take the vote. We'll have roll call.

16 COMMITTEE CLERK: Kevin Pin,
17 Committee Clerk. Roll call in the Committee on
18 Contracts, Intro 251-A. Council Member Mealy?

19 CHAIRPERSON MEALY: Aye.

20 COMMITTEE CLERK: Nelson?

21 COUNCIL MEMBER NELSON: May I be
22 excused to explain my vote? It's not easy—a
23 vote. People may think it's just so easy to do
24 this. I don't think the Mayor is being a bad guy
25 with this. He has got to be a fiscal watchdog in

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2 this city. Every time I drive along the BQE and I
3 look at Jersey City, I think to myself, this is
4 brought to you by New York City taxes and company.
5 I'm going to vote aye on this by the way 'cause I
6 want to put it onto the full floor as well. I'm
7 afraid some of these intros adversely impact our
8 economy and actually cause jobs to dissipate - -
9 for one. To ask for this amount of money is
10 certainly not too much. This is not even enough
11 quite frankly for somebody who lives in New York
12 City and that's why I'm balancing this all out,
13 but I don't see a clear decision on what is best
14 for the city of New York and the citizenry itself.
15 Will you get another thousand people happy and
16 then mess up another ten thousand? I do not
17 know. So I'm going to--having said all that, I'm
18 going to vote aye.

19 COMMITTEE CLERK: Jackson?

20 COUNCIL MEMBER JACKSON: Absolutely
21 yes. Clearly anytime we give a business a million
22 dollars of city money, it's not too much to tell
23 them, not even ask them, but to tell them that
24 they must pay their employees at least \$10 an hour
25 with benefits or \$11.50 without. It's a no

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2 brainer, and if anyone thinks that that is not the
3 case, then switch places with those individuals
4 that are earning less than that and they will get
5 a wake up to reality. I vote absolutely yes.

6 COMMITTEE CLERK: James?

7 COUNCIL MEMBER JAMES: Some
8 businesses have made record profits in this city
9 and this state and in this country, and too many
10 people are living below the poverty level in the
11 city of New York, particularly children. The
12 fastest growing population living in homeless
13 shelters tonight will be children. This is the
14 least that we can do in this state and in the
15 economy, and I proudly cast my vote in the
16 affirmative and vote aye so that we move this bill
17 and I believe it's a step in the right direction.
18 I'm looking forward in the future as we expand it.
19 Thank you.

20 COMMITTEE CLERK: Mark-Viverito?

21 COUNCIL MEMBER MARK-VIVERITO: Vote
22 aye.

23 COMMITTEE CLERK: By a vote of five
24 in the affirmative, zero in the negative—

25 COUNCIL MEMBER KOPPELL:

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2 [Interposing] Before you close the roll, I omitted
3 to mention that - - my counsel, who spent many,
4 many hours on this has been instrumental in
5 putting this bill together and he should be
6 recognized as well. Thank you.

7 COMMITTEE CLERK: By a vote of five
8 in the affirmative, zero in the negative and no
9 abstentions, the item has been adopted. Members,
10 please sign the Committee Report.

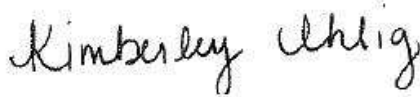
11 CHAIRPERSON MEALY: And for the
12 record, do we have another? Well, one thing, we
13 want to thank our borough president of the Bronx
14 and RWDSU and just remember, Mr. Koppell, Mr.
15 Koppell, when the mayor said that a lot of
16 companies would leave the city if this bill
17 passed, and I can say I know a lot of people will
18 continue coming to the city. You cannot make
19 money here. You cannot make money anywhere. And
20 this is the Big Apple, so I am proud to co-sponsor
21 this bill, and this meeting is now adjourned.
22 Thank you.

23 [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

Handwritten signature of Kimberley Uhlig in cursive script, written over a horizontal line.Date 5/17/12