

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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October 28, 2013
Start: 10:00 a.m.
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HELD AT: Council Chambers
City Hall

B E F O R E:
KAREN KOSLOWITZ
Chairperson

COUNCIL MEMBERS:

Diana Reyna
Donavan Richards
Andy King
Mark Weprin
Brad Lander
Gale A. Brewer
Mathieu Eugene
Ruben Wills
Leroy G. Comrie, Jr.
Stephen Levin
Letitia James

A P P E A R A N C E S (CONTINUED)

Lenore Friedlander
Assistant to the President
SEIU Local 32BJ/
Director
Build Up NYC

Santos Rodriguez
Representative
Heat and Frost Insulators
Local 12 NYC

Devin Maroney
Deputy Political Director
New York Hotel Trades Council

Marco Carrion
Political/Legislative Director
NYC Central Labor Council

Melissa Shetler
Labor Management Representative
Mason Tenders District Council

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Tommy Waters
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Jessica Walker
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Moses Gates
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Housing Development NYC

Alexandra Hanson

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Sarah Johnson
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Daniel Martin
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Loretta Swindell
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Local 79

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L & M Development Partners Inc

Gerry Miceli
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Tito Castro

James Banister

Jeffero Andrew Cornack

Lincoln Samuel

Roger Thomas

Alex Pena

Robert Bevins

Kayco Ekos

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Joshua Brown
Brownstone Construction Corp

Gary Rodney
Executive Vice President for
Development
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Dr. Devine Pryor
Forensic Psychologist/Policy Analyst
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Vincent Rizzo
Member
Briarwood Organization

Randy Marcus
Contractor

Ted Horton

Maria Espinal
Millwright Member
Local Union 740

Carol Raftery
Ironworker/Instructor

Juan Hoy
Elevator Constructor

Joel Shufro
Executive Director
New York Committee for Occupational
Safety and Health

Joe Carter
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Martin Allen
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People for Political and Economic
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Brad Richards
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BFC Partners

Timothy Jones
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Queens and Bronx Building Association

Rainie Flowers
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Lawrence Rosano
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Larry Ingram
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Paul Johnson
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Keith Wrightson
Worker Safety and Health Advocate
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Norman Saul
Retired Construction Worker
Union Steward

Josh Kellermann
Employee
ALIGN: Alliance for a Greater
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Matt Ryan

Ed Josse

Lavon Chambers

Matt Hyman

Robert Ezrapour
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Nancy Lepre
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Lennox Britton
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New York State Chapter
National Association of
Minority Contractors

Ed Brown

Joel Youngblood

Michael Graham

Teraniece Fogler

Louis Rivera

Tommy Hulendow

Demar

Seth Hackenhill

Keith Seabrook

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COMMITTEE ON ECONOMIC DEVELOPMENT

CHAIRPERSON KOSLOWITZ: We're going to start without the administration. [off mic] Is it okay? Okay. [gavel] Good morning. I am Karen Koslowitz, chair of the Economic Development Committee. Today, the committee will receive testimony regarding Intro 1169 relating to the proposed requirement of employee training and developer and contractor disclosure on certain city subsidized development projects. What is most important about any legislation we consider in this committee is that we maximize the opportunity for city residents to be employed to their maximum capacities. Also, as a city government we want to ensure that our policies reflect our values; that the city's resources should be maximized for the benefit of our residents. To that end, we all want good paying jobs with benefits for New Yorkers. At the same time, however, we want to be sure that businesses find our city an inviting, competitive and profitable place to do business. These two goals are not mutually exclusive. What that means is that our economy is dynamic enough so that everyone has the opportunity to prosper. Workers, small businesses and the developers who create jobs

1 and add to our economy, but we don't stop there.
2 We must never neglect our New Yorkers who are
3 women, minorities and city residents living outside
4 of Manhattan. They too must enjoy the economic
5 successes of the city. I understand the great
6 interest this bill has generated. Hopefully, today
7 our committee will receive informative and
8 insightful testimony so that ultimately this
9 committee, the council and our city can go forward
10 with an economic development agenda that benefits
11 us all. As our first panel, I would like to...
12 well, I'm not going to call on the administration
13 'cause they're not here. So with that, I'm going
14 to turn it over to my colleague, Council Member
15 Diana Reyna, to make a statement.

17 COUNCIL MEMBER REYNA: Thank you so
18 much, Madam Chair. I wanted to take this moment to
19 thank you for having this hearing on the Safe Jobs
20 Act. The Safe Jobs Act will reform economic
21 development in New York City in two specific ways:
22 greater transparency in subsidized projects and
23 required training for construction employees. The
24 reasoning behind pushing for transparency and
25 training is simple. New York City gives out an

1 estimated \$2 billion each year to incentivize
2 development. Major projects subsidized by the city
3 must be built with the highest of standards. The
4 public has a right to know whether the contractors
5 benefitting from these projects comply with the
6 law, participate in industry standard safety and
7 apprenticeship programs, whether they have good
8 health and safety records, and their history with
9 complying with industry regulations. I want to
10 note that there has been concern that there's going
11 to be disclosure requirements for employees and
12 that is inaccurate. This is an employer disclosure
13 regulation for transparency for worker safety.
14 Furthermore, construction is inherently a dangerous
15 industry. According to OSHA, in 2012, 28 out of 35
16 total workplace fatalities were construction
17 related. Providing adequate safety training can
18 literally be a matter of life and death. We
19 require OSHA training within our hospitals for
20 better worker standards; we should do the same in
21 the construction industry. For this reason it is
22 crucial to ensure that construction workers as well
23 as building operations and security workers are
24 provided vital safety training that protects
25

1 workers and the public. Contractors in city
2 contracts should be held to the highest of
3 standards to ensure projects are completed safely
4 and on time. So... [off mic] bless you.
5 Establishing a transparent contractor review
6 process and requiring good apprenticeship programs
7 will help avoid unnecessary project delays,
8 disruptions and unsafe conditions that endanger
9 workers and the public and I want to just share
10 with my colleagues on the panel, as well as the
11 public, this is a document; 72 pages worth of
12 apprenticeship programs that exist in the state of
13 New York that are approved by the Department of
14 Labor. 18 percent of these programs are union, so
15 the accusation that this is union driven is not
16 what is important or valid here and that is easy to
17 less... give less recognition to the issue at hand
18 here and that is safety workers. We cannot
19 continue to exploit our workers in the city of New
20 York and better safety standards requires better
21 training programs and active training programs.
22 This article, Latino... exclusive Daily News
23 article, "Latino, Immigrant Construction Workers
24 More Likely to Die on the Job in New York City."

1 The study found just 41 percent of all construction
2 workers in New York City identify themselves as
3 Latino, but they account for 74 percent of the
4 fatalities from accidents, and so we have to
5 continue to challenge ourselves to understanding
6 why this is happening and monitoring it. The Board
7 of Health in the city of New York monitors what
8 would be fatalities. Why are they not doing so in
9 the construction industry so that we can better
10 assist the city of New York with the building
11 standards and the training programs that have to be
12 in existence in the city of New York so that we can
13 reduce these fatalities? We have a responsibility
14 and that is what this bill calls for. Thank you
15 very much, Madam Chair. [applause]

17 CHAIRPERSON KOSLOWITZ: Now, we have a
18 lot of people that want to speak, so please, no
19 applauding; just let's listen and when you get your
20 chance to speak you can speak. I want to do a
21 little housekeeping. I want to recognize my
22 committee, Councilman Donavan from Queens and
23 Council Member Andy King from the Bronx and I saw
24 Council Member Mark Weprin from Queens. Oh, he's
25 still here, okay. Also I'd like to put in the

2 record that Council Member Charles Barron is not
3 with us today because he had a funeral. Major
4 Owens; Congressman Major Owens is being eulogized
5 this morning. He wants to take his name off of
6 Intro 1169, and with that, I'm going to call the
7 first panel. Marco Carrion; Santos Rodriguez;
8 Devin Maroney and Lenore Friedlander. [background
9 voice] [off mic] There we are.

10 [Pause]

11 AUDIO/VIDEO PRESENTER: Construction is
12 one of the most danger...

13 LENORE FRIEDLANDER: We'd like to start
14 with the video. Thank you very much for... yes, my
15 name is Lenore Friedlander. I am assistant to the
16 President for Local 32BJ and the director of Build
17 Up NYC, and we'd like to start our presentation
18 with a short video. We appreciate the opportunity
19 to testify here today.

20 AUDIO/VIDEO PRESENTER: Construction is
21 one of the most dangerous jobs there is. Last
22 year, 28 people died in workplace accidents and 75
23 percent of those fatalities occurred on
24 construction sites in New York City.

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2 MALE AUDIO/VIDEO VOICE: Whatever it is
3 they seem to do, we as people just do it because we
4 have families, we have kids and that's the number
5 one thing that you focus on; making that pay and
6 taking it home to your wife and kids.

7 AUDIO/VIDEO PRESENTER: Most
8 construction deaths were due to falls, building or
9 scaffold collapses or workers being crushed to
10 death.

11 MALE AUDIO/VIDEO VOICE: I one time was
12 down in Chinatown working on a seven-story
13 building. [tape not clear] The building scaffold
14 was set up and one [tape not clear]

15 MALE AUDIO/VIDEO VOICE: You see this
16 here? This is probably my first hardhat; you know
17 and I cherish this. This is my lifesaver.

18 MALE AUDIO/VIDEO VOICE: They [tape not
19 clear] like water and asbestos. We had to move
20 like pipes without protections and [tape not clear]
21 peeled pipes and put in the garbage bag.

22 MALE AUDIO/VIDEO VOICE: Yeah, getting
23 stiffed; getting paid in cash; getting an envelope;
24 not getting paid for overtime or getting paid below
25 minimum wage, that's part of the territory.

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COMMITTEE ON ECONOMIC DEVELOPMENT

MALE AUDIO/VIDEO VOICE: I ain't had no health insurance since 2000 and that's from being in the army. I mean I got two kids and it's just hard and I never seen no more than \$13.00 an hour.

MALE AUDIO/VIDEO VOICE: When the Boston terrorist attacks was happening, my daughter didn't want me to leave the house 'cause she knows where I work at and my wife sure as hell didn't want me to go to work 'cause she knows where I work at and in the area that I'm in, which is a you know, it's basically a red zone basically, a high terrorist risk and I have had a pistol in my face twice.

FEMALE AUDIO/VIDEO VOICE: I've been [tape not clear] I've been spit on. I've been disrespected. I've been called the 'N' word numerous times. [tape not clear]

FEMALE AUDIO/VIDEO VOICE: The apprentice program was very informative and it took me from knowing basics in terms of building in order to get into construction where I can learn the cranes and rigging of very heavy materials such as precast panels. The heaviest I've ever rigged was probably a 60 ton piece in Manhattan, which

2 is... can be nerve-racking if you don't know what
3 you're doing. Even when you do know what you're
4 doing it is.

5 MALE AUDIO/VIDEO VOICE: But the fact
6 that I know as a [tape not clear] director that
7 lives were saved because of this training.

8 FEMALE AUDIO/VIDEO VOICE: Knowing that
9 the equipment that we're using that we'll be
10 properly trained on it; that we have had safety
11 measures put into place; that if I see something
12 that isn't safe and I can... that I have the
13 opportunity to say something without feeling like
14 you know maybe I'm going to lose my job or
15 something.

16 AUDIO/VIDEO PRESENTER: Many of our
17 training programs also provide environmentally
18 responsible practices. We build and operate LEED
19 certified buildings.

20 MALE AUDIO/VIDEO VOICE: So the last
21 four years I've been involved in some great
22 training at the green superintendent course.

23 MALE AUDIO/VIDEO VOICE: And if they
24 can't make sure we all go home safe; not just my
25 local; every trade worker on the job. I don't just

1 look out for only one guy; I look out for every
2 trade here 'cause that's what unions do. We all
3 work together on this job; many jobs. That's how
4 local unions work in New York City. At the end of
5 the day we all have one thing; to go home together
6 to our families.

8 MALE AUDIO/VIDEO VOICE: Now I feel
9 better; very, very better from before. I have two
10 kids, so I have all the benefit of my wife and
11 she's so happy because I have a good job you know
12 and my kids... my insurance will cover the kids
13 [tape not clear] you know that's very, very good
14 and so joining the union has changed my life. I'm
15 serious because I know what I have now; like I said
16 benefits, job security, good wages, medical
17 pension, medical benefits, a retirement pension.
18 See the smile on my face? It's... it's very... you
19 know I'm happy just to talk about it.

20 MALE AUDIO/VIDEO VOICE: Since I became
21 a laborer, I've bought my house, you know, I have a
22 car. I've been able to support a nice family and
23 been able to pay my bills.

24 FEMALE AUDIO/VIDEO VOICE: Well, one
25 thing I take pride in is that I'm working towards

1
2 my future as a retired person and getting a pension
3 and having something to retire to where I'm not
4 going to be a drain on society where I have to be
5 supported by the government because I don't have a
6 pension. This is something I take great pride in;
7 that in the future say, 10 years down the road,
8 maybe 15, whatever it is, I have a chance to retire
9 and still be considered a middle-class person.

10 MALE AUDIO/VIDEO VOICE: You know, by
11 the end of the day you know, I just want to be able
12 to go home to my family and know that I'm all...
13 I'm in one piece.

14 LENORE FRIEDLANDER: Thank you very
15 much. You will hear from two of the people who were
16 in that video today, as well as others and we
17 appreciate the opportunity to answer questions and
18 testify before you today.

19 CHAIRPERSON KOSLOWITZ: Before you
20 start I'd like to call... I left out Melissa
21 Shetler to the panel.

22 COUNCIL MEMBER REYNA: And Brad Lander
23 just joined us.

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2 CHAIRPERSON KOSLOWITZ: And we were
3 joined by Brad Lander and I'm not sure if I
4 mentioned Gale Brewer; Council Member Gale Brewer.

5 LENORE FRIEDLANDER: Great. Okay, as I
6 said, my name is Lenore Friedlander. You're going
7 to hear from a variety of people today, and this
8 really for us is about our commitment to creating
9 safe workplaces for all construction, building
10 maintenance and operations and security workers in
11 New York City. And for many of us many of our
12 members already work for responsible employers that
13 provide for training and apprenticeship programs,
14 but this is really... we are here today on behalf
15 of those people who don't. And just as an example
16 of how important this is and the kind of situations
17 that workers in these occupations face, recently I
18 had the honor of recognizing some building service
19 workers. We had an event at 32BJ and a cleaner in
20 the public schools, because of the training he had,
21 was actually able to stop somebody who was armed
22 who came into the school from an incident
23 occurring; was actually able to prevent a Sandy
24 Hope type situation where an armed intruder came
25 into the school. He stepped in and was able to

1 contain that situation until the police arrived.

2 So our... the workers in our industry; the

3 construction workers, the hotel workers, the

4 building operations, maintenance and security

5 workers put their lives on the line every single

6 day in the work that they do. And I've heard so

7 many stories from construction workers about how

8 safety equipment has saved their lives or about

9 things that they've seen and experienced where they

10 have not had the proper training or protective

11 equipment, and from construction to the building

12 operations and maintenance and security, training

13 and apprenticeships are critical. And so, our

14 message today is really very simple. Where the

15 city invests public money or a public benefit at a

16 significant amount, \$1 million or more; big money

17 on big projects; 100,000 square feet or more for a

18 commercial building; 50 units or more of a

19 residential or a hotel, that the workers should get

20 something too and what the workers should get for

21 that public investment is a safe workplace. And

22 that's what this bill is really about; to say when

23 we invest a public resource, we have a

24 responsibility to create public safe workplaces and

25

1 every worker's life is precious. We want to see
2 those OSHA numbers go down. We want no fatalities
3 in construction. It's one of the most dangerous
4 jobs there is, and building maintenance and
5 operations work is also dangerous. We want to
6 reduce the accidents. We want to reduce the
7 injuries. We want to reduce the fatalities and the
8 most recent... as the video pointed out, the most
9 recent OSHA statistics are really clear. Last
10 year, 75 percent of all workplace fatalities
11 happened on construction sites. 72 percent of
12 those fatalities happened where there were no state
13 approved training or apprenticeship programs. We
14 need to change those statistics. We need to do
15 better than that, and that's what this legislation
16 is really all about. And the second piece is just
17 to ensure increased transparency about those public
18 benefits and the forum those public benefits make,
19 and I just want to echo Councilperson Reyna that
20 this is not intended to require anything more of
21 workers about workers' backgrounds, so that's not
22 what this legislation is about. It's about
23 requiring transparency and how public monies are
24 being given to developers and about providing for
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1 safe workplaces. Many of our employers; many
2 employers in the city already do this, so this is
3 not something new. What we're talking about is
4 creating a level playing field and safe workplaces
5 and really to ensure that we protect the lives and
6 stand up for the lives of the thousands of workers
7 who do not have the opportunity to participate in
8 training or apprenticeship programs with a track
9 record of proven success. Thank you very much for
10 the opportunity to testify here today.

12 SANTOS RODRIGUEZ: Good morning, City
13 Council. My name is Santos Rodriguez. I am a
14 representative for the Heat and Frost Insulators at
15 Local 12 and I'm also... great honor to represent
16 Build Up New York as well. I'm reading a testimony
17 on behalf of Gary LaBarbera, the President of Build
18 Up New York, an alliance of the Building and
19 Construction Trade Council of Greater New York,
20 32BJ SEIU and Hotel Trade Workers, which represents
21 200,000 workers in our industries who are fighting
22 for good jobs and responsible development. I am
23 here to testify today in support of the Safe Job
24 Act, an important piece of legislation that
25 promotes safe, responsible development practices.

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2 Every year New York City agencies like Economic
3 Develop Corporation provide billions of finance
4 assistance to private developers in form of tax
5 abatement, subsidies, low cost financing and even
6 public land and other benefits. Due to lack of
7 transparency, however, it is difficult to determine
8 the total cost of public financial assistance,
9 which is public money spent on economic development
10 or the numbers of quality of jobs created by these
11 subsidies. Construction is a dangerous industry.
12 State approved apprenticeship save lives. Last
13 year, 75 percent of all workers involved in the New
14 York City workplace fatalities worked in
15 construction industries. A shocking 72 percent of
16 the construction fatalities involved workers who
17 did not participate in state approved
18 apprenticeship programs. Furthermore, a majority
19 of workers who died in construction accidents were
20 immigrants and individuals who did not speak
21 English. It's clear that irresponsible employers
22 put workers and the public at risk. Given how
23 dangerous construction is, the city of New York has
24 responsibilities to ensure that developers that
25 benefit from public development incentives and

1 public land uphold the highest safety training and
2 transparency standards. On notable projects
3 sponsored by the city, the city has partnered with
4 responsible developers to ensure that construction
5 contractors uphold high safety standards by hiring
6 contractors who participate in state approved
7 apprenticeship programs.
8

9 Unfortunately, the city currently
10 provides financial assistance to developers without
11 any requirements that developers participate in
12 training programs. Recently, Starwood Capital has
13 been allowed to build a hotel development in public
14 park land, Brooklyn Bridge Park, without making
15 commitments to promote safe, responsible
16 development practices. Additionally, the city
17 hasn't required any such commitment. When
18 responsible development invests in training
19 programs to protect the workers and irresponsible
20 developers look to cut corners at the expense of
21 work safety, responsible developers are at the
22 disadvantage in the marketplace. The city must
23 establish a fair playing field to ensure that safe
24 work practices are upheld and good jobs are created
25 on projects receiving financial assistance from the

1 city. The Safe Job Act will go a long way towards
2 strengthening the city's development policy to
3 ensure that developers who receive subsidies and
4 other public benefits uphold safe, responsible
5 development practices and it would ensure that
6 further projects with significant public benefits
7 maintain high standards that protect workers and
8 public alike. Construction is a dangerous
9 industry. Adequate training is literally a matter
10 of life and death. The Safe Job Act will save
11 lives. For that reason, I fully support this
12 crucial piece of legislation.

14 I would also like to add to the record,
15 I come from a program called Project Pathways that
16 today is headed up by the Building Trades known as
17 Construction Skills. It gave me an opportunity to
18 partake in this great industry of constructing the
19 skyline of New York City. I come from Brooklyn.
20 I'm originally born and raised in Brooklyn.
21 Without this program I would not have the benefits
22 that I have today, and it's done wonders for us.
23 So thank you very much, City Council.

24 DEVIN MARONEY: Good morning. My name
25 is Devin Maroney. I'm the Deputy Political

1 Director for the Hotel and Motel Trades Council
2 here in New York City. We represent 35,000
3 hospitality workers in the New York area. I first
4 wanted to take the opportunity to thank Chairman
5 Koslowitz and the members of the committee for
6 taking up such important legislation. I'd also
7 like to thank the lead sponsor of the bill, Council
8 Member Reyna.
9

10 New York City is a dynamic growing
11 city. It thrives because successive generations of
12 New Yorkers have changed the landscape to
13 accommodate new styles of living, new ways of
14 working and new places of recreation. Development
15 has been one of the keys to New York's success, but
16 there's a right way to build and a wrong way to
17 build. We know what the wrong way looks like.
18 We've seen hasty development projects where the
19 work is of low quality and the sites are dangerous.
20 We've seen the tragic effects of unsafe
21 construction and we've seen taxpayers shortchanged
22 when promised economic development and community
23 benefits never materialize.

24 What this bill does is it takes
25 concrete steps to ensure that when the city is

1 involved we will do things the right way. When New
2 York City is financing a development with taxpayer
3 dollars, we have the right to know the background
4 of the developer receiving these funds and their
5 history of doing business inside and outside of New
6 York City. When public funders are supporting a
7 development, we have the right to full transparency
8 about how the money is being spent and whether it's
9 being used for its intended purpose.
10

11 And finally, when working men and women
12 are putting their life on the line to build up our
13 city, we should put their safety first by using
14 only New York State recognized and approved
15 apprenticeship programs. This not only keeps the
16 worker safe, but it keeps the thousands and
17 thousands of New Yorkers, who will one day live and
18 work in these spaces, safe as well. The Safe Jobs
19 Acts is an important step away from irresponsible
20 development towards thoughtful, safe and
21 transparent development. The Safe Jobs Act brings
22 us closer to building up New York the right way.
23 Thank you very much.

24 MARCO CARRION: Good morning, Chair
25 Koslowitz and members of the committee. My name is

1
2 Marco Carrion and I am the Political and
3 Legislative Director of the New York City Central
4 Labor Council, and I'm here today to testify on
5 behalf of the 1.3 million workers and 300
6 affiliates of the Labor Council.

7 The Central Labor Council is in strong
8 support of Intro 1169, the Safe Jobs Act. This
9 legislation would help to increase safety, training
10 and transparency standards of construction projects
11 receiving public tax dollars. While we encourage
12 initiative to spur responsible economic
13 development, we believe that taxpayers have a right
14 to know how their money is being spent. The
15 guidelines introduced by Intro 1169 would lead to a
16 safer New York for workers and residents, and it
17 would also allow for greater knowledge of the
18 developers and contractors working on these
19 projects, while helping to ensure that taxpayer
20 funded projects are built by reputable construction
21 companies. I urge you to support the valuable
22 piece of legislation to help protect workers and
23 taxpayers throughout our city. Thank you very
24 much.

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2 MELISSA SHETLER: Good morning. My
3 name is Melissa Shetler. I'm a labor management
4 representative with the Mason Tenders District
5 Council and I represent both the contractors and
6 the workers. I'm here today to read the testimony
7 of Lou Coletti. Lou Coletti is the president of
8 the Building Trades Employers' Association. The
9 Building Trades Employers' Association is an
10 organization that represents 28 Contractor Trade
11 Associations made up of 2,000 construction
12 managers, general contractors and specialty trade
13 contractors doing business here in the city. BTEA
14 members employ 25,000 project managers and support
15 staff, as well as over 100,000 skilled construction
16 workers. Simply put, we are the construction
17 community here in New York City. The most
18 important concern of BTEA contractors is at the end
19 of the workday each and every single member of our
20 workforce goes home safely to his or her family.
21 Our contractors invest over \$100 million annually
22 in training facilities here in the city just for
23 this reason. Now is the time to establish
24 standards that all contractors are held to in
25 protecting their workforce and providing their

1 workers with the financial ability to live and
2 raise families here in New York City. Now is the
3 time to reward and not penalize the contractors who
4 invest in their workforce to protect them and to
5 provide both the public safety and building a
6 better project here in New York City for their
7 worker safety. Now is the time to pass Intro 1169.
8 Why shouldn't projects that receive public
9 incentives be required to pay prevailing wages such
10 as the law currently provides for all other public
11 works, which are financed by taxpayer dollars? Why
12 shouldn't the contractors selected to build these
13 projects with public incentives, our money, be
14 required to prove that they have a workforce
15 sufficiently skilled and safely trained to ensure
16 that this tax incentive is worth the investment of
17 the taxpayer and to protect the public safety and
18 their welfare as well? We've all heard the facts;
19 75 percent of construction fatalities occurring on
20 non-union jobs; 72 percent on construction sites
21 where the contractor had no affiliation with a New
22 York State approved apprenticeship program. The
23 very New York State apprenticeship programs that
24 Diana Reyna said today, only 18 percent of those
25

1 are union apprenticeship programs, so we are
2 talking about real investment in workers, and 74
3 percent of the individuals who died on construction
4 sites in New York City were either U.S. born
5 Latinos or immigrants. Clearly somebody needs to
6 be protected here. This legislation would protect
7 their lives and provide them with the ability to
8 earn a decent living from their work. The Building
9 Trades Employers' Association strongly urges this
10 committee and the New York City Council to adopt
11 Local Law 1169. Thank you.

12 [Pause]

13 CHAIRPERSON KOSLOWITZ: I want to
14 recognize Council Member Mathieu Eugene has joined
15 us. I also want to make a comment about the
16 administration and the disrespect they have shown
17 this committee and all of you. We knew this was
18 going to be a big hearing, and as of Friday night
19 they were coming to this hearing and as of this
20 morning they haven't even called to say they were
21 not coming to the meeting, so I think it's really
22 disrespectful to all of us and I want that on the
23 record.

24 [Pause]

25

1 CHAIRPERSON KOSLOWITZ: James Heyliger;
2
3 Tommy Waters for Hazel Dukes; Moses Gates and
4 Jessica Walker. I'm going to start off by
5 limiting... [background voice] No, we'll let them
6 talk. 'Kay, but I'm going to have to eventually
7 limit the comments to three minutes. We've also
8 been joined by Council Member Ruben Wills.

9 [Pause]

10 CHAIRPERSON KOSLOWITZ: State your
11 name, please.

12 JAMES HEYLIGER: Good morning. My name
13 is James Heyliger. I'm the Executive Director of
14 the Association of Minority Enterprises of New
15 York's 39-year old Minority and Women-Owned
16 Business Trade Association; also co-chair of the
17 New York City Minority Business Leadership Council.
18 I have some concerns I would like to raise. In
19 1998, a similar law was suggested for the city.
20 Here are my concerns: one, I'm not happy at all
21 with the way the union list moves in Local 79. It
22 moves too slow. Laborers in 79 never leave their
23 job. When it's over, they never go back to
24 unemployment lists 'cause the major guys pay them
25 long enough so they don't have to go on a waiting

1 list. So if you're on Local 79, you might have to
2 wait three months before you get called. Number
3 two, I'm in wholeheartedly agreement with the need
4 for training because having almost lost half my
5 family in The Rockaways under Sandy when they had
6 to spend the night on the roof, and then I had to
7 witness gardeners coming in as electricians to hook
8 up people's power; then their houses catch on fire,
9 or make-believe contractors putting up sheet rock
10 over mold for our particular families give me
11 concern. Here's my major issue: I see more people
12 sitting here representing my community than I see
13 in the workforce in the streets in Queens on some
14 of the buildings that I see. So that concerns me;
15 why all of a sudden we're interested in training
16 our people, when in fact, you don't want to give
17 them the work once they train. So I raise this
18 issue. To be a small minority contractor, which 70
19 percent of them are not unionized, the potential of
20 this law concerns how it is implemented. It could
21 very well put the small guy out of business and the
22 big white contractors reap the benefits of a
23 completely union shop that puts us out of... does
24 not include us. So if you're talking about
25

1 training, which I wholeheartedly believe in, and I
2 understand the fatalities of it, it needs to be
3 training that we're involved in that we have access
4 to. For example, how many Black and Hispanic
5 organizations have approved apprenticeship training
6 programs? The question that may come that has to
7 come through the Department of Labor; how long does
8 it take for us to get an approved apprenticeship
9 program? As the head of one of the largest
10 Minority Trade Association, it could take me
11 possibly a year to be certified as an
12 apprenticeship program. How much money goes out to
13 till to major contractors that does not affect us
14 while we're waiting to be an approved training
15 program? So I would think... [cell phone ringing]
16 I apologize. I thought it was off. I would think
17 that one of the major concerns should be where does
18 the Black and Hispanic business and leadership play
19 in this whole opportunity for apprenticeship
20 training authorization? I'm all in favor of people
21 being trained. I'm all in favor. It's more than
22 it's safety for them; it's safety for the homes
23 that they put together for us. Out at The
24 Rockaways, I witnessed people posing as

1 electricians wanting to hook up my son's electrical
2 work, and he's nothing more than a gardener, but
3 the scams run. So if you're going to make this
4 across the board and if you're going to see to it
5 that we are all trained, which needs to be, because
6 without a trained workforce New York cannot move
7 forward, then we must have some say into how we get
8 trained. Maybe the council should put money into
9 not-for-profit groups for us to develop
10 apprenticeship training programs, but you need to
11 have direct talking with the New York State
12 Department of Labor to see to it that we get the
13 opportunity to provide... we can provide training.
14 We have skilled minority laborers and technicians.
15 We can provide training, but we need your support
16 to have the Department of Labor certify some of us
17 to train. We could have a major training program
18 at York College. We have entrepreneur training at
19 York College in Queens. We could put an
20 apprenticeship program York College and I think the
21 one, hosts this in the Bronx, been declared a tax-
22 free zone for small business. If we're going to
23 attract businesses that don't have trained workers,
24 we defeat our own purpose. Our support for this
25

1
2 program depends on your support to see to it that
3 we have access and authorization from the New York
4 State Department of Labor to project and have
5 training programs for our community that we run.
6 Thank you. [applause]

7 CHAIRPERSON KOSLOWITZ: Please no
8 applauding, no hissing, no... any verbal acts.

9 TOMMY WATERS: Good morning. My name
10 is Tommy Waters and I'm here to read the testimony
11 of Dr. Hazel N. Dukes, President of the NAACP...

12 [crosstalk]

13 CHAIRPERSON KOSLOWITZ: And can you
14 speak up, please? Is your mic on?

15 TOMMY WATERS: Of the NAACP New York
16 State Conference. As you may know, the NAACP New
17 York State Conference has been a vital programmatic
18 component of the National Association for the
19 Advancement of Colored People for 77 of the 104-
20 year history of the oldest, most effective and most
21 respected civil rights organizations in the nation.
22 Thank you very much for giving me the opportunity
23 to testify in opposition to Intro 1169, which I
24 believe will be very damaging to the communities
25 that I have worked to promote for many years. The

1 NAACP has been working for decades to ensure
2 economic equality for all people, regardless of
3 race, including advocating increased job
4 opportunities for minorities and MWBE firms. This
5 legislation will work in direct opposition to our
6 efforts in this area. Intro 1169 will require that
7 all contractors and subcontractors working on
8 covered projects have apprenticeship programs for
9 their employees. Due to the cost and difficulty of
10 setting up a New York State approved apprenticeship
11 program, they can take one to two years to create
12 and another three years before apprentices are
13 eligible to work on city projects, and the process
14 takes piles of paperwork and not insignificant
15 costs. These programs are generally only offered
16 by unions. As a result, this bill would virtually
17 require that all contracts and subcontracts on
18 projects be union labor. If the City Council is
19 serious about its stated goal of increasing MWBE
20 participation in city projects, you must not pass
21 this legislation as drafted. As you know, MBWEs
22 are typically smaller and newer companies, which
23 are under considerable financial constraints.
24 These firms would be unable to devote the time and
25

1 resources necessary to create approved programs,
2 and they will be effectively barred from
3 participating in city sponsored projects. In a
4 city where minorities are now the majority, it is
5 unconscionable that MWBEs only receive 3.9 percent
6 of the value of the city's contracts given the high
7 rates of unemployment in minority communities;
8 nearly double that in white communities. We need
9 to do everything we can to make these jobs and
10 contracts available to the people that need them
11 most. In addition, the legislation will require
12 contractors and subcontractors to disclose the
13 names of any employees who have any type of local,
14 state or federal conviction within the last 10
15 years. This would be a major disincentive for
16 contractors participating in work re-entry
17 programs, and would make it much less likely that
18 employers would be willing to offer jobs to workers
19 with prior convictions who are struggling to rejoin
20 the workforce. This provision must be clarified
21 or, ideally, removed so as not to make the
22 transition from prison even more difficult for
23 those who are already struggling to take this
24 difficult step.
25

1 Instead of these provisions, which
2
3 would have a major negative effect on communities
4 of color in New York City, I would like to propose
5 that the council focus on legislation that promotes
6 local participation in projects, which can
7 simultaneously be a way of increasing MWBE
8 participation. Developers, property owners and
9 general contractors should be required to ensure
10 that a minimum of 35 percent of the workers
11 performing each phase of the design, construction
12 operation and maintenance of buildings are
13 residents of the local community district where the
14 project is located. This type of requirement would
15 help to address the high rates of unemployment in
16 minority communities and difficulty in promoting
17 MWBE participation while helping the previously
18 incarcerated or convicted and ensuring that local
19 residents are able to see benefits from city funded
20 projects in their neighborhood.

21 JESSICA WALKER: Hi, I'm Jessica Walker
22 with the Partnership for New York City. The
23 Partnership for New York City represents the city's
24 top business leaders and its largest private sector
25 employers. We are here today to recommend that the

1 council defer action on Intro 1169 until 2014, when
2 you can consider this narrowly crafted legislation
3 in a larger context as part of an overall strategy
4 for expanding job opportunities and increasing
5 economic opportunity for residents and businesses
6 alike.
7

8 Earlier this year, the Partnership
9 released the NYC Jobs Blueprint, a comprehensive
10 report on how the city economy has developed over
11 the last decade that lays out an action plan for
12 how the city could accelerate job creation and
13 access to employment for New Yorkers in the future.
14 A key finding of our blueprint is that the
15 continued growth and diversification of the local
16 economy cannot be taken for granted. New York
17 faces increasing competition, both global and
18 domestic. Costs of doing business and the cost of
19 living in the city have become unaffordable for
20 businesses and residents alike. Tech startups are
21 surging here, but as these young companies grow,
22 many are moving jobs to locations with lower costs
23 and a deeper tech talent pool. Last week, State
24 Comptroller Tom DiNapoli's office issued a report
25 on the city's financial industry profitability in

1 the financial sector that has driven the economy
2 and been our largest source of income tax revenue
3 for the past 30 years. While the city has gained
4 jobs in the low and high income categories, we lost
5 more than 100,000 mid-level jobs in the past
6 decade. That trend promises to accelerate without
7 an active effort to attract and retain business
8 support, technology and other mid-level job
9 functions in the five boroughs. Pressure on our
10 budget is also a growing threat as non-
11 discretionary expenses rise and federal and state
12 aid diminishes. In other words, while the city
13 economy seems strong today, there are real
14 vulnerabilities that must be considered before the
15 council enacts legislation that could add to costs
16 and regulatory burdens.

18 Our Partnership Jobs Blueprint calls
19 for a restructuring of the city's economic
20 development functions to build strong public-
21 private partnerships, organizations that would
22 spearhead the city's efforts to support economic
23 development, workforce development and career and
24 technical education in key growth sectors.
25 Specifically, we propose that the next Mayor work

1 with industry and labor to replicate the NYC &
2 Company model with expanded emphasis on job
3 creation and job training. NYC & Company is
4 jointly sponsored and funded by the city and
5 membership drawn from business, labor, industry
6 associations and non-profit organizations. It has
7 successfully led development of the tourism, travel
8 and hospitality industry, which today employs
9 365,000 New Yorkers at an average salary of
10 \$52,000. This is the kind of strategic initiative
11 that the incoming city government needs to mount in
12 other growth sectors, such as financial and
13 professional services, the creative industries,
14 health, technology and manufacturing. The new
15 Mayor and council members, who will be elected next
16 week, deserve the opportunity to review our complex
17 economic and fiscal challenges and come up with a
18 comprehensive plan to guide economic development
19 and land use laws, policies and regulations.
20 Piecemeal actions that are rushed through in the
21 final days of this administration will only detract
22 from the necessary effort to develop a framework
23 for the future that considers the challenges that
24 the city will be dealing with in the years ahead.
25

1 The next Mayor should have an opportunity to bring
2 everyone to the table to discuss a range of issues
3 that impact on job creation, unemployment and fair
4 wages and benefits. We urge you to hold Intro 1169
5 at this time and allow it to be considered as part
6 of broader reform. Thank you.

8 MOSES GATES: Hello, Chair. Thank you
9 for allowing me the opportunity to testify. My
10 name is Moses Gates. I represent the Association
11 for Neighborhood and Housing Development, which is
12 an association of 98 not-for-profit community
13 development corporations, and collectively we've
14 developed over 100,000 units of affordable housing
15 throughout our history. And I would like to start
16 by saying that ANHD is historically very supportive
17 of additional transparency legislation. We've
18 testified in favor of Local Law 44 and we've
19 testified earlier in front of this committee for an
20 Economic Development Corporation transparency bill
21 and we support the concept of government
22 transparency, as long as it's done in the
23 appropriate way that balances the right of the
24 public with the right of the smaller developers,
25 contractors and subcontractors to not be unduly

1 burdened and we believe that this bill
2
3 unequivocally does not meet that test; that this
4 has an absolute undue burden as currently written
5 on smaller developers, contractors and
6 subcontractors.

7 The first thing I would say is that in
8 terms of the size of the developments that are
9 proposed, it is not... does not nearly cut out the
10 small developments. \$1 million in city subsidy
11 that includes tax abatements; a 421-a tax abatement
12 almost certainly over 23 years plus city subsidy is
13 going to encompass the vast majority if not all of
14 city subsidized housing developments. 50 units is
15 something that is kind of a benchmark. When
16 smaller developers want to start growing and want
17 to start being able to compete, a 50 unit
18 development is kind of a bit of a test case for
19 being able to jump up that level and if you
20 automatically make more reporting requirements at
21 that particular level and more cost associated with
22 it, that is really impede the ability of smaller
23 developers to be able to kind of scale up in that
24 sense. And not-for-profit developers, in addition,
25 are committed to hiring local contractors,

1
2 subcontractors and employers and as currently
3 written we have a lot of questions about if that
4 will impede our ability to do that and to really
5 create a comprehensive neighborhood-based economic
6 development entity really at the neighborhood
7 level.

8 And finally, our developers build
9 permanently and deeply affordable housing and as
10 any affordable developer knows, permanently and
11 deeply affordable housing does not have a lot of
12 room for error and does not have a very large
13 profit margin at all and even a modest spike in the
14 operating costs of these developments by any other
15 mandates, by training programs and things like
16 that, if not also funded through the city, is going
17 to greatly impede the ability of not-for-profit
18 developers and smaller developers to build
19 permanently, deeply and contextually appropriate
20 affordable housing for the neighborhood there. And
21 I highly encourage the committee to revisit this
22 bill and to properly balance the interests of
23 transparency versus the interests of our affordable
24 housing development and the ability of our small
25

1 developers, contractors and subcontractors to play
2 on an even field. Thank you.

3
4 CHAIRPERSON KOSLOWITZ: Okay, Diana
5 Reyna has a question and Gale Brewer.

6 COUNCIL MEMBER REYNA: I just wanted to
7 take an opportunity to say thank you for coming. I
8 wanted to understand as far as the AMENY and your
9 testimony...

10 JAMES HEYLIGER: [interposing] Mm-hm.

11 COUNCIL MEMBER REYNA: The concern I
12 have is that you're mentioning what would be a
13 valid point. We are in need and you are in favor
14 of training.

15 JAMES HEYLIGER: Yes.

16 COUNCIL MEMBER REYNA: But I needed to
17 understand where we fall short. Currently as far
18 as members of AMENY, where do workers get their
19 training now?

20 JAMES HEYLIGER: Currently as it stood,
21 those who have already been trained or who have
22 been working on a job for x amount of time got
23 their training through OJT you might say.

24 COUNCIL MEMBER REYNA: OJTs.

25 JAMES HEYLIGER: On-the-job training.

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COUNCIL MEMBER REYNA: Mm-hm.

JAMES HEYLIGER: Alright, most of our
small contractors never...

[crosstalk]

COUNCIL MEMBER REYNA: So no contractor
has a state certified training program amongst
AMENY.

JAMES HEYLIGER: Only a few. Most of
them when we tried in...

[crosstalk]

COUNCIL MEMBER REYNA: Would it be...

[crosstalk]

JAMES HEYLIGER: 1998 just...

[crosstalk]

COUNCIL MEMBER REYNA: James, if you
can just answer my... how many of your membership
have a state approved training program?

JAMES HEYLIGER: I only know of three.

COUNCIL MEMBER REYNA: Three of how
many?

JAMES HEYLIGER: I'd say about over
100. And in...

[crosstalk]

COUNCIL MEMBER REYNA: I...

2 [crosstalk]

3 JAMES HEYLIGER: 1998 when we tried to
4 do such a thing through NYSAM and CACI in Brooklyn,
5 the Department of Labor told us it would take us
6 almost two years to get authorized to produce an
7 apprenticeship training program, and that's why in
8 '98 it fell apart.

9 COUNCIL MEMBER REYNA: And you haven't
10 picked up ever since in the last decade?

11 JAMES HEYLIGER: No, we haven't.

12 COUNCIL MEMBER REYNA: What was the
13 reason for it?

14 JAMES HEYLIGER: Busy trying to fight
15 to get contracts and jobs period and as was
16 previously mentioned, it's a cost factor to set up
17 an apprenticeship training program, which in fact,
18 as you would know, most not-for-profit groups do
19 not get sufficient amount of money through
20 fundraising or the government to have the kind of
21 staff and the wherewithal to embark on putting up
22 such a training program. Therefore, you will find
23 most of our training programs deal with
24 entrepreneurship training as opposed to itemized
25 training.

1
2 COUNCIL MEMBER REYNA: And if three out
3 of approximately 100 members of AMENY provide
4 training certified by the state, why not expand
5 those three existing members training to encompass
6 what would be...

7 [crosstalk]

8 JAMES HEYLIGER: We... we...

9 [crosstalk]

10 COUNCIL MEMBER REYNA: And capture all.

11 JAMES HEYLIGER: I would be happy to
12 advocate that. What I'm saying the problem that we
13 have found is the resistance of the Department of
14 Labor to assist us in becoming authorized to do
15 that. If, in fact, it's going to take us more than
16 a year to set up an apprenticeship training program
17 and if there's a cost factor... I'll give you a
18 case in point. My organization functions on grants
19 and fundraising.

20 COUNCIL MEMBER REYNA: Right, so the
21 three that do provide state approved training, why
22 wouldn't AMENY take on what would be those three to
23 expand further because they're already doing the
24 training?

1
2 JAMES HEYLIGER: That's why what I'm
3 saying here this morning is that if we can see some
4 assistance from the city council or the Mayor's
5 office, we, in fact could expand the amount of
6 training throughout the respective organizations or
7 enlarge the ones that currently exist.

8 COUNCIL MEMBER REYNA: So you're not
9 necessarily opposing the bill, but the lack of
10 funding attached to the bill to support this?

11 JAMES HEYLIGER: Yes, what I'm opposed
12 to is that the bill as constantly crafted shuts us
13 out as opposed to bringing us in. Small developers
14 cannot afford to be part of the apprenticeship
15 training program when it was just mentioned they're
16 struggling just to get the project off the ground.
17 There is a cost factor in setting up an
18 apprenticeship training program and since most of
19 these programs are not run by us, even getting us
20 into the programs can sometimes become an issue.

21 COUNCIL MEMBER REYNA: Right.

22 JAMES HEYLIGER: So the fact that
23 there's an existing apprenticeship training program
24 does not mean that Blacks and Hispanics can get
25 into the program. Sometimes when you wait on line

2 a whole day, a busload of non-minorities drive up
3 to the front of the line; they get in, they get
4 signed up and we're still on the outside waiting on
5 line.

6 COUNCIL MEMBER REYNA: And you
7 mentioned York College has a training program?

8 JAMES HEYLIGER: York College has
9 training in entrepreneurship and small business.

10 COUNCIL MEMBER REYNA: I'm referring to
11 worker safety...

12 JAMES HEYLIGER: No, what I first
13 said...

14 [crosstalk]

15 COUNCIL MEMBER REYNA: Programs.

16 JAMES HEYLIGER: No, what I'm saying is
17 we would like to have such a program since we've
18 now been designated by the Governor to be a tax-
19 free economic development zone for small business,
20 it would be an ideal accomplish to bring such an
21 apprenticeship program into York College that
22 would, in fact, facilitate exactly what you are
23 trying to do.

24 COUNCIL MEMBER REYNA: And... as far as
25 the...

1
2 JAMES HEYLIGER: [interposing] The
3 money could, say for example, come from CUNY to do
4 exactly what you want to do and then York or
5 organizations like mine could partner with York to
6 create such an apprenticeship program.

7 COUNCIL MEMBER REYNA: Is that
8 something that you have petitioned already for?

9 JAMES HEYLIGER: That's something
10 November 7th at York College there's an Economic
11 Development Summit. We were proposed that
12 Southeast Green is the only economic development
13 master plan and that will be one of the items we
14 will bring up...

15 [crosstalk]

16 COUNCIL MEMBER REYNA: Prior...

17 [crosstalk]

18 JAMES HEYLIGER: At that summit.

19 COUNCIL MEMBER REYNA: Prior to this
20 bill was that something that had been requested?

21 JAMES HEYLIGER: Not requested.

22 COUNCIL MEMBER REYNA: Okay and as far
23 as your 100 member to AMENY, how many of those
24 particular contractors have had what would be any

1 COMMITTEE ON ECONOMIC DEVELOPMENT 53
2 fatality, God forbid, recorded? Is that something
3 that you record, first of all?

4 JAMES HEYLIGER: We haven't recorded
5 it, but to my knowledge...

6 COUNCIL MEMBER REYNA: You do not?

7 JAMES HEYLIGER: We do not.

8 [crosstalk]

9 COUNCIL MEMBER REYNA: You do not,
10 okay.

11 JAMES HEYLIGER: And to my knowledge we
12 have not had that many.

13 COUNCIL MEMBER REYNA: But you don't
14 record, so how would you know?

15 JAMES HEYLIGER: No, we don't. Well,
16 because when we have our regular meetings, guys are
17 asked, "What's the situation?" And there's not a
18 report on it.

19 CHAIRPERSON REYNA: Right, but you have
20 no database.

21 JAMES HEYLIGER: No, we don't.

22 COUNCIL MEMBER REYNA: Okay, thank you
23 very much.

24 COUNCIL MEMBER BREWER: Thank you for
25 ANHD and first of all, Benjamin was great on Brian

1 Lehre's show the other day regarding affordable
2 housing. He was... please tell him he was
3 excellent.
4

5 MOSES GATES: I'll let him know.

6 COUNCIL MEMBER BREWER: So this is a
7 big dilemma that we're all facing; trying to make
8 sure we have safe jobs, union, prevailing wage, as
9 well as affordable housing and supportive housing.
10 So is there some... I think you want the same; you
11 want to save jobs, you want affordable housing, but
12 there are some affordable housing jobs that are
13 done with prevailing and safety and union labor,
14 but is there some way that you re-craft a bill that
15 you think would address the need for safe jobs,
16 prevailing wage jobs, union jobs and still build
17 affordable and supportive housing? Is there some
18 middle ground or not?

19 MOSES GATES: I mean ANHD believes that
20 neighborhood development encompasses everything
21 that you had said. Is there a way that we can have
22 good, safe jobs as well as build affordable
23 housing? Yes. Do I have any suggestions at this
24 moment at the panel, having gotten the bill last
25 week? I do not, but I am firm believer that the

1 two things are not necessarily opposed whatsoever,
2 but it's something that needs to be done in a
3 nuanced way and it needs to be balanced correctly
4 and we do not believe that this bill strikes the
5 right balance.
6

7 COUNCIL MEMBER BREWER: You'll be
8 thinking about the answer to that question though.

9 MOSES GATES: We will.

10 COUNCIL MEMBER BREWER: 'Cause we've
11 had a million meetings on this topic. Thank
12 goodness for Council Member Reyna bringing it to
13 the full discussion and I give her a lot of credit,
14 but I know that we need the housing that you build.
15 I just think there's some way of doing both and we
16 need to try to figure that out. Thank you very
17 much.

18 COUNCIL MEMBER REYNA: Thank you,
19 Council Member Brewer. I just wanted to follow up
20 on that question. The Chair has given me an
21 opportunity to ask: ANHD, do you record amongst the
22 non-profits the fatalities on the job?

23 MOSES GATES: We do not; however, in
24 this presentation I would also be interested to
25

1 know how many of the workplace fatalities took
2 place on city sponsored job sites.

3
4 COUNCIL MEMBER REYNA: I agree. I
5 agree and the City of New York is not here present
6 as far as this administration is concerned, which
7 is disturbing, and this is something that we're
8 trying to have full disclosure on, which is the
9 purpose of this bill in order to challenge
10 ourselves to do better. And so, thank you for your
11 answer and I look forward to further discussions.

12 MOSES GATES: Thank you.

13 CHAIRPERSON KOSLOWITZ: Council Member
14 Wills.

15 COUNCIL MEMBER WILLS: Good afternoon.
16 Mr. Heyliger, for the program for the training
17 programs to be effective, I'm not getting back and
18 forth into the timeline or how long it's been since
19 we've been advocating or anything like that, but
20 what is the number? What is the financial number
21 that we are looking at to make something like that
22 a reality, but not just make it a reality, but make
23 it effective? And with that number, could you
24 please let me know do you or other minority
25 organizations have the infrastructure to turn that

1 on immediately so that we would be able to train
2 our people and get them on these jobs?

3 JAMES HEYLIGER: I would say half of
4 the associations do not have the current
5 infrastructure to immediately launch into this,
6 okay? Most of the... what you need to understand
7 is most of the associations in the last decade have
8 been focusing primarily in securing contracts for
9 its membership and did not have the built in
10 infrastructure to do something like this. I do
11 believe Councilman Barron at one point had \$10
12 million to set up a Manpower program from the City
13 Council and some of our people did not have an
14 opportunity to participate in that because they
15 didn't have the current manpower... the current
16 infrastructure to participate in it, and so what
17 we're saying here is if you look at some of those
18 who would like to provide the leadership for that,
19 most of them do not have the kind of income that
20 would afford that. And another case in point is
21 the City Council gave us \$1.5 million about four or
22 five years ago through the Department of Small
23 Business Services. We asked to be able to set up
24 the type of infrastructure internally to do
25

1 something like this. The Commissioner opted to
2 convince the City Council that instead of giving us
3 money to do that and procurement, that in fact, we
4 should only do certification. So, most of that
5 money went for certification, instead of giving us
6 an opportunity to build up our infrastructure to be
7 able to take advantage of this current opportunity
8 that you're putting out here right now.

10 COUNCIL MEMBER WILLIS: How much has the
11 state kicked in for any of these programs, being
12 that we have to deal with the State Department of
13 Labor for that?

14 [crosstalk]

15 JAMES HEYLIGER: I can't tell you how
16 much that is.

17 COUNCIL MEMBER WILLIS: Okay, thank you.
18 Council Member Reyna, I yield my time to you. Do
19 you have another question? Is that right? Can we
20 do that?

21 [Pause]

22 COUNCIL MEMBER WILLIS: I yield the
23 balance of my time to Council Member Reyna.

24 [Pause]

1
2 COUNCIL MEMBER REYNA: I just needed
3 clarification, James. On the certification
4 portion, there were two aspects of the MWBE
5 funding. We had certification as part of the non-
6 profit.

7 JAMES HEYLIGER: [interposing] Mm-hm.

8 COUNCIL MEMBER REYNA: As well as the
9 leadership capacity.

10 JAMES HEYLIGER: Mm-hm.

11 COUNCIL MEMBER REYNA: And so it did
12 not exclude training.

13 JAMES HEYLIGER: Let me bring this to
14 your light. I don't know what NYSAM got to do with
15 their money, but when I specifically said I wanted
16 to do training, I was told...

17 COUNCIL MEMBER REYNA: [interposing]
18 Worker training; safety training.

19 JAMES HEYLIGER: I would prepare... I
20 was willing to use my money to do all kinds of
21 training.

22 COUNCIL MEMBER REYNA: Okay.

23 JAMES HEYLIGER: Worker... workers...

24 COUNCIL MEMBER REYNA: [interposing] If
25 you could just narrow...

2 JAMES HEYLIGER: Okay.

3 COUNCIL MEMBER REYNA: So that we can
4 understand. You requested worker safety training
5 as part of a description of what you were willing
6 to provide with that funding. Is that accurate?

7 JAMES HEYLIGER: Not wholly.

8 COUNCIL MEMBER REYNA: Okay, so I want
9 to because...

10 [crosstalk]

11 JAMES HEYLIGER: If I can clarify. We
12 were prepared to do that kind of training as...

13 [crosstalk]

14 COUNCIL MEMBER REYNA: You just said
15 not exactly.

16 JAMES HEYLIGER: Well, that's what I'm
17 going to explain to you.

18 COUNCIL MEMBER REYNA: No, but the...
19 it was a yes or a no question just so...

20 [crosstalk]

21 JAMES HEYLIGER: Okay.

22 [crosstalk]

23 COUNCIL MEMBER REYNA: The Chair is
24 yielding to allowing me because we have a host of

25

1 many panels and it's not like we're not going to
2 continue...

3 [crosstalk]

4 JAMES HEYLIGER: We did not...

5 [crosstalk]

6 COUNCIL MEMBER REYNA: This
7 conversation.

8 [crosstalk]

9 JAMES HEYLIGER: Ask to do workers'
10 training.

11 COUNCIL MEMBER REYNA: Okay.

12 JAMES HEYLIGER: Specifically.

13 COUNCIL MEMBER REYNA: And then to the
14 testimony of Dr. Dukes, I just wanted to understand
15 where in this section of the law does it say
16 according to your testimony in addition the
17 legislation will require contractors and
18 subcontractors to disclose the names of any
19 employees who have any type of local, state or
20 federal conviction within the last 10 years?
21

22 TOMMY WATERS: I'm sorry. I'm reading
23 the testimony for Dr. Dukes, but knowing who she
24 is, it's upon information and belief.

2 COUNCIL MEMBER REYNA: I would like to
3 speak to Dr. Dukes to understand where in the
4 section of the law she read that.

5 TOMMY WATERS: Okay.

6 COUNCIL MEMBER REYNA: And I'd like to
7 have a conversation to follow up on that particular
8 statement. To my knowledge that is inaccurate.

9 TOMMY WATERS: Okay, I will...

10 COUNCIL MEMBER REYNA: [interposing]
11 Thank you very much.

12 CHAIRPERSON KOSLOWITZ: Thank you very
13 much. We were joined by Council Member Leroy
14 Comrie, Council Member Steve Levin and that's it.
15 Panel Sarah Johnson; Loretta Swindell; Harvey
16 Epstein; Alexandra Hanson; Dan Martin and Ben
17 Kallos. [background voice] You can begin.

18 ALEXANDRA HANSON: Good morning. My
19 name is Alexandra Hanson and I'm here representing
20 the New York State Association for Affordable
21 Housing or NYSAFAH, the Trade Association for New
22 York's affordable housing industry. I would like
23 to thank Chair Koslowitz and the members of the
24 Committee on Economic Development for the
25 opportunity to testify today on Intro 1169.

1
2 NYSFAFH shares the council's commitment to ensuring
3 a highly skilled workforce, minimizing risk and
4 promoting quality control on city supported
5 construction projects and recognizes the important
6 place of workforce development and achieving these
7 goals. However, NYSFAFH is deeply concerned that
8 the requirements Intro 1169 sets forth for
9 qualifying Department of Labor approved
10 apprenticeship programs will make it impossible for
11 many of the businesses that currently work on
12 affordable housing to comply, as well as jeopardize
13 the city's ability to develop and preserve
14 affordable housing.

15 Much of New York City's affordable
16 housing is built by small community-based
17 businesses that employ local New York City
18 residents. These are skilled people in their
19 trade; companies that have many years of
20 experience, insurance and all the necessary
21 trainings and certifications to competently
22 complete these jobs. However, as small businesses
23 they do not have the intensive resources that would
24 be required to develop and register an
25 apprenticeship program with the Department of

1 Labor. Even for those companies that may have the
2 resources, Intro 1169 takes effect immediately upon
3 enactment, denying businesses any reasonable time
4 for infra-registration and approval of
5 apprenticeship programs it requires, which is
6 currently at least one to two years due to our
7 understanding. The result will be hundreds of
8 businesses out of work and many out of business
9 entirely. NYSFAFH supports workforce training and
10 development and its members have developed and are
11 working to expand a workforce training program
12 providing no cost, customized training to qualified
13 applicants, which prepares them to work on
14 affordable housing construction sites. The
15 training includes instruction in construction math,
16 carpentry, plumbing, electrical safety and
17 blueprint reading, as well as the OSHA 10-hour
18 asbestos and scaffolding certifications. This is
19 just one example of relevant training that would
20 fall outside the narrow scope of Intro 1169. In
21 addition, there are a limited number of entities
22 that run or have access to these Department of
23 Labor approved programs, the vast majority of which
24 in New York City are trade unions. Intro 1169
25

1 effectively creates a monopoly for those existing
2 apprenticeship programs, excluding hundreds of
3 small businesses that rely on affordable housing
4 for their livelihood.
5

6 Intro 1169 also outlines harsh
7 penalties, including the repayment of up to 25
8 percent of the total financial assistance awarded
9 for non-compliant developers. This will jeopardize
10 the overall financing of affordable housing
11 projects, as investors may be unwilling to finance
12 projects due to the risk involved. This will cut
13 deeply into the city's ability to produce
14 affordable housing and the resulting public
15 benefits. It also imposes onerous reporting
16 requirements on affordable housing projects that
17 will increase costs and further raise barriers to
18 entry into the industry.

19 The current version of Intro 1169 will
20 have a devastating impact on both the production
21 and preservation of affordable housing in New York
22 City and the community-based businesses that the
23 affordable housing industry employs. As such,
24 NYSAFAH opposes Intro 1169. We urge the council to
25 explore alternative avenues of increasing

1
2 opportunity for training and education for
3 construction workers, and are eager to work with
4 the council to achieve those end goals. I would
5 like to thank Chair Koslowitz and the Committee on
6 Economic Development again for the opportunity to
7 testify today and for your consideration of
8 NYSFAFH's concerns. Thank you.

9 SARAH JOHNSON: Alright, good morning
10 and thank you, Chair Koslowitz and to the members
11 of the committee for hearing my testimony. My name
12 is Sarah Johnson and I'm here testifying today on
13 behalf of the Working Families Party. The Working
14 Families Party is a progressive third party that
15 was founded in 1998 in the state of New York to
16 support and advance issues that are important to
17 working families, including good jobs, affordable
18 housing and responsible development.

19 Every year, New York City spends over
20 \$2 billion to promote economic development and job
21 creation through a variety of discretionary and as-
22 of-right programs and tax breaks, and we feel that
23 the city has a robust opportunity through the
24 passage of the Safe Jobs Bill to use these funds to
25 hold private developers to a high standard for

1 transparency and safety that will improve the lives
2 of New York's working families. The reforms in the
3 proposed legislation before us would result in
4 development jobs that are significantly safer in
5 the workplace and the use of contractors who adhere
6 to the law by having basic safety and training
7 programs and holding good health and safety
8 records. We feel this is a common sense
9 improvement to the transparency and development of
10 projects receiving public money and an assurance
11 that jobs funded with the assistance of public
12 dollars will comply with accepted standards of
13 safety. We're strongly in support of this
14 legislation because we think it will keep New
15 York's working families safe and improve training
16 and prospects for contracting employees to lead to
17 long careers. In the absence of transparency and
18 safety standards in the disbursement of economic
19 development subsidies, we think the city would
20 forego a critical opportunity to collect valuable
21 data and improve recipient reporting, leaving the
22 city's agencies unable to answer questions about
23 how this money gets allocated, how much employment
24 is actually generated and the quality of jobs.
25

1
2 Increased transparency regarding the developer and
3 contractor and their work leads to better decisions
4 about where and how New York City's valuable
5 taxpayer dollars are going to be spent.

6 The proposed reforms also take on a
7 particular urgency in the light of the recent
8 escalation in the number of construction related
9 fatalities from six to 2011 to 21 in 2012. The
10 required participation for employers to state
11 approved training and apprenticeship programs are a
12 necessary first step to remedying this problem.

13 The benefits of the legislation are
14 clear; better use of taxpayer dollars and safer
15 jobs for New York's working families. The Working
16 Families Party strongly encourages the City Council
17 to pass this legislation.

18 DANIEL MARTIN: Good morning. My name
19 is Daniel Martin. I'm President of the New York
20 City Housing Partnership and I'd like to thank the
21 Committee on Economic Development for the
22 opportunity to testify today.

23 Just by way of background, the New York
24 City Housing Partnership is a 31-year old not-for-
25 profit and through our history we've been an

1 intermediary for New York City for the development
2 of housing. Over 40,000 units of housing has
3 flowed through us in our 31 years and that has
4 leveraged \$6.5 billion of funding. We've built
5 homes through all areas of New York City. Whether
6 it's in Ridgewood; Bushwick; Jamaica; Rockaways;
7 5th Avenue in Brooklyn, we've touched almost single
8 community.
9

10 As we look into apprenticeship
11 agreements Intro 1169 has, we're now going to
12 require that every subcontractor and every
13 developer on city projects of more than 50 units is
14 going to be required to have a Department of Labor
15 agreement. This will virtually stop affordable
16 housing projects. We... the number of units that
17 we try to put out on an annual basis is going to be
18 directly inhibited by this. We see many of our
19 small developers will no longer have the ability...
20 they don't have the opportunity; they don't have
21 the wherewithal to set up apprenticeship programs
22 through this project. For those developers that
23 have the resources to establish apprenticeship
24 programs, they'll have to wait two to three years,
25 again, putting a roadblock in the development of

1 affordable housing. The cost impact for housing
2 when subsidy dollars are shrinking; there's a
3 demand for affordable housing and at the same time
4 their dollars are shrinking to build affordable
5 housing. This is going to again add dollars to the
6 cost. Mandating apprenticeship agreements for
7 every contract consubstantially adds significantly to the
8 cost of development. In addition, there are a
9 limited number of entities that have access to the
10 Department of Labor approved programs, again,
11 locking out many of our small developers. While
12 the goal may be enhancing education and training,
13 it should be done not at the expense of New York
14 City's small businesses and to the detriment of an
15 urgently needed resource such as affordable
16 housing.

17
18 Intro 1169 also has very severe
19 punitive damages. As many in the room know, most
20 of these projects, the larger ones, go through tax
21 credits; four percent and nine percent tax credits.
22 With a 25 percent penalty on the subsidies, I would
23 find it very difficult you know, for syndicators
24 now to want to bring up these jobs. As bankers, I
25 would have concerns that lenders with such a severe

1 penalty in there if you're not fulfilling the
2 obligations, a lender would not want to finance a
3 small business project like this.
4

5 The reporting requirements under 1169:
6 we currently have onerous reporting requirements
7 already; between Housing Preservation and
8 Development, Housing Development Corporation, OMB.
9 If you look on the business side between EDC, Small
10 Business Association, 504 programs, JDA. We do 25-
11 page disclosures now. It's an onerous reporting
12 requirement that's going to become more onerous.
13 You know, we believe the demand... the growing
14 demand for affordable housing in New York City and
15 it's commendable that the council wants to increase
16 education among the building trades workforce, and
17 we'd be happy to work with them on this, but the
18 goal of this legislation would stop the production
19 of affordable housing and those who preserve it.
20 Thank you.

21 LORETTA SWINDELL: Good morning. Good
22 morning, Chairwoman Koslowitz and distinguished
23 committee members. My name is Loretta Swindell and
24 I am a proud member of Construction and General
25 Building, the laborers of Local 79. I am pleased

1
2 to have this opportunity to speak to you today on
3 behalf of Intro 1169. This bill is very common
4 sense. All it does is say if you're going to take
5 public assistance in the form of subsidies to build
6 a project, then you should do two things. One,
7 tell the public what you are doing with their money
8 and two, if you're going to take the money, give
9 something back to the public by providing real
10 training for your workers. This'll put people on a
11 career path instead of sticking them on a temporary
12 dead end job.

13 I, myself, am a product of one of these
14 programs and my life has completely changed for the
15 better because of it. I graduated as a
16 construction craft laborer from the Mason Tenders
17 Training Fund and I'm qualified to work on any
18 construction project in New York City from a one-
19 story storefront to a 100-story tower. I'm sure I
20 don't look like what you think a typical
21 construction worker looks like, but if you visit
22 the Training Fund you might be surprised. Most of
23 the people in the program are Black or Latino and
24 quite a few are women.

25

1
2 I'm sure you hear from people opposed
3 to this law who will say that it's just about
4 unions trying to grab all of the jobs for
5 themselves, but that is not the case. They are
6 non-union laborer training programs and workers who
7 do not have any training opportunities at all.
8 We're here for them. All this proposed law is
9 saying is if you're going to take the public's
10 money, tell the public what you're doing with their
11 money and give some opportunity back to the public
12 by using some of their money that you happily took
13 to provide career opportunities. It's a smart use
14 of the public money. I'm sorry, did I miss
15 something? Okay, I'm sorry. It's a smart use of
16 the public money and it's simply the right thing to
17 do. You take the subsidy and the building gets
18 built. Why does that have to be in the story? Why
19 can't it be you take the subsidy and the building
20 gets built and you provide a pathway out of poverty
21 for folks in the community and you end up with a
22 better building because of use of trained workers.
23 It's a win-win-win. Who could be opposed to that?
24 I urge you pass Intro 1169 with all due haste, and
25 just one more thing. I am proud to tell you today

1
2 that I have this opportunity, even though I was
3 formally incarcerated, as many of my union brothers
4 and sisters. We put people to work and that bill
5 will not change that fact. Thank you.

6 MIKE CORBETT: Good morning. My name
7 is Mike Corbett [phonetic]. I'm a fellow on the
8 campaign of Ben Kallos, candidate for New York City
9 Council District 5, and I am here today to deliver
10 the following testimony on his behalf.

11 I am pleased to support the passage of
12 Intro 1169, known as the Safe Jobs Act. I would
13 like to begin by thanking the members of the City
14 Council for proposing such legislation. The
15 passage and further implementation of this law will
16 be beneficial to quality control of economic
17 development here in New York City. I believe it is
18 imperative to the public good that information on
19 development projects be readily available and
20 accessible to the people of this great city. This
21 morning I will highlight specific points in the
22 language of the bill, which I believe are most
23 important. In addition, I will give the council
24 recommendations to strengthen the law as it has
25 been proposed.

1 At the core of the Safe Jobs Act is
2
3 greater transparency, which is something I have
4 championed for years. When it comes to information
5 about economic developments which have received
6 public assistance, as the bill itself states, there
7 is insufficient disclosure to the public. It
8 should be required that any and all information
9 about the recipients of taxpayer funded subsidies
10 be readily available to the public. I believe that
11 doling out corporate welfare should not be done
12 without such information this law provides for
13 them. The bill specifically requires publication
14 of shareholder information for any contractor or
15 subcontractor who receives financial aid. This
16 includes allowing the public to be aware of any
17 violations contractors or subcontractors commit.
18 These include wage discrimination, unemployment,
19 workers compensation, health and safety violations
20 or any such laws which have been broken within the
21 last 10 years on the local, state or federal level.

22 There is a serious problem with
23 development projects in New York City being done by
24 untrained or poorly trained workers. This leads to
25 a greater chance of accidents and even death on the

1 job. According to an OSHA study published earlier
2 this year, 72 percent of all construction
3 fatalities, which occurred in Fiscal Year 2012,
4 were the result of employers whose workers did not
5 participate in state certified trainings. That is
6 why I applaud the inclusion of mandatory trainings
7 and apprenticeships in the Safe Jobs Act. In
8 particular, I place great importance on
9 apprenticeships, which provide an employee with
10 paid on-the-job training in a particular craft.
11 This hands-on instruction helps workers learn their
12 trade in a faster, more efficient manner. In
13 addition, there is a provision for classroom
14 instruction if needed. I believe a well trained
15 worker is one who is less likely to make mistakes,
16 which, in turn, lead to a better, safer product
17 when completed.

18 This powerful piece of legislation can
19 be strengthened by the following. There are some
20 provisions Ben has listed that have been submitted
21 to the committee and I'll skip them in the... just
22 for time purposes. In conclusion, I believe the
23 passage of the Safe Jobs Act will be a progressive
24 step for transparency in government. This law will
25

1
2 lead to safer construction through training and
3 better contractors through disclosure. The Safe
4 Jobs Act will reduce waste and allow our tax
5 dollars to be spent wisely. Legislation such as
6 this will help bring jobs to our community, which
7 pay a living wage, something this city desperately
8 needs. I strongly support Intro 1169, the Safe
9 Jobs Act, and implore the City Council to pass this
10 bill as expeditiously as possible. Thank you for
11 the opportunity to testify this morning.

12 I'd just to add on a personal note, I'm
13 a third generation member of Teamsters Local 814
14 and a former officer of that union and one of the
15 misconceptions of unions is that we only want
16 people to be members of unions and don't want non-
17 union folks to have work. That's not true. We
18 want to raise the standard of living for workers in
19 the city of New York and that includes making sure
20 safety is an issue and also that training is
21 provided to these workers. We believe in raising
22 area standard across the board in non-union and
23 union alike. Thank you.

24 COUNCIL MEMBER WILLIS: Excuse me, you
25 read the testimony from Ben, but at the end you

1 said that... are you a member of teamsters or Ben?
2
3 I just...

4 MIKE CORBETT: I am. I am a third
5 generation member.

6 [crosstalk]

7 COUNCIL MEMBER WILLS: You are, so you
8 went over his testimony and you started testimony
9 for yourself.

10 MIKE CORBETT: Yes.

11 COUNCIL MEMBER WILLS: Okay, you needed
12 to break that up when you said that.

13 MIKE CORBETT: I...

14 [crosstalk]

15 COUNCIL MEMBER WILLS: Okay.

16 [crosstalk]

17 MIKE CORBETT: I thought I did, Council
18 Member Wills. I apologize.

19 CHAIRPERSON KOSLOWITZ: Thank you.

20 Leroy has a question, but before we do that, we
21 have testimony from the same group with a lot of
22 people testifying. Can you please, for the sake of
23 time, pick someone who can testify for the groups,
24 one person instead of everybody speaking? I would
25 appreciate it. I'm referring to People for

2 Political and Economic Empowerment and L & M
3 Builders Group. There's like so many people
4 testifying. Usually we have one person that
5 testifies for everybody, and Build Up New York
6 City. Those three groups if you can pick someone
7 that could speak for you; greatly appreciate it.
8 Okay, Leroy Comrie.

9 COUNCIL MEMBER COMRIE: Good morning,
10 panel. I just want to add a series of questions to
11 ask you, and I guess I would ask NYSAFAH and the
12 Affordable Housing... the Housing Partnership these
13 questions. How do you ensure that your contractors
14 have a level of proficiency before you put them on
15 the job?

16 DANIEL MARTIN: Many of the programs
17 that the New York City Housing Partnership is
18 involved in, almost all of them have regulatory
19 agreements that run through both HPD, HDH, New York
20 State, New York City Affordable Housing
21 Corporation. Those are approved developers, as you
22 know. All the developers that apply for an RFP are
23 approved by the state or the city. At the same
24 time, the majority of the developers that we have
25 worked with... as I said, we've done over 40,000

1 units of housing. We have developers that we've
2 done 1,000 units with; 1,500 units with. At the
3 same time, most of the lenders, whether... any
4 major lender out there is going to go through a
5 whole process of evaluating who that builder is and
6 financially project work? There's going to be an
7 engineer that looks at the cost to make sure the
8 cost is a satisfactory cost. What I mean by an
9 engineer, a construction engineer that does a
10 planning course review of all material. At the
11 same time, the lending institution will do an
12 analysis to make sure that the lender has the
13 ability to create the work and worked on properly.
14 If somebody is... it's not a good builder, they're
15 not going to be in the HPD program and they're not
16 going to approved by a bank for the lending.

18 COUNCIL MEMBER COMRIE: That didn't
19 answer my question. So my question was how do you
20 know that the workers or the people that actually
21 working on the project have a level of training and
22 ability to complete the job? You've told me about
23 the developers on paper or the lenders on paper.
24 HPD, you know, are they doing a yearly review or a
25 quarterly review of their proficiency of the people

1 that they're recommending? Is any of that
2
3 happening, even on into larger scale of the
4 developers or contractors? Is there some level of
5 proficiency that they're doing to ensure that their
6 contractors are keeping up with even all of the new
7 rules that the city or state or federal government
8 are putting out, and how do you monitor that?

9 DANIEL MARTIN: I think the answer I
10 was giving you was a...

11 COUNCIL MEMBER COMRIE: [interposing]
12 And the answer you were giving me is that you
13 don't, so I mean I think clearly you're saying you
14 use HBD approved contractors or state approved
15 contractors, but you don't, yourself, make sure
16 that they have any updated level of proficiency or
17 standard for their workers. You're just accepting
18 what you're getting from HPD or the other agencies.

19 DANIEL MARTIN: We're also accepting
20 what we receive from the lending institutions that
21 monitor all the jobs; the engineer that goes out to
22 the job on a monthly basis. We're accepting the
23 bank. You know, these are opportunities where if
24 there is a problem, because there is an engineer
25

1 there are walk-throughs on the job. All these
2 things do take place.

3 COUNCIL MEMBER COMRIE: Do walk-
4 throughs that happen on the job happen during the
5 construction period...

6 [crosstalk]

7 DANIEL MARTIN: Yes.

8 [crosstalk]

9 COUNCIL MEMBER COMRIE: Of the job?

10 DANIEL MARTIN: On a monthly basis.

11 COUNCIL MEMBER COMRIE: On a monthly
12 basis and do they have safety inspections that
13 happen on the job on a monthly basis?

14 DANIEL MARTIN: All of the developers
15 that we do business with, they have safety
16 standards. Their employees are approved. I'm not
17 sure what you're trying to get me to answer for
18 you, but I'm giving you the recommendation of the
19 suggestion that you know, through all these various
20 programs, we have a great comfort level for all the
21 developers that we do business with and have done
22 business with you know, in your community and
23 others through thousands of jobs. You know, if
24

1
2 you're implying that you know, they are not proper
3 developers or the developers are not...

4 [crosstalk]

5 COUNCIL MEMBER COMRIE: No, I'm not...

6 [crosstalk]

7 DANIEL MARTIN: Trained or...

8 [crosstalk]

9 COUNCIL MEMBER COMRIE: Implying
10 anything. I'm just trying to find out what the
11 level of transparency is; what's the level of
12 training that you're aware of that a developer or a
13 contractor has their workers providing... if you
14 know if there are benefits for the workers that are
15 being provided, and one of the main complaints that
16 I've received about prevailing wage jobs is that
17 the people that are actually hired are not number
18 one, getting the prevailing wage. Number two,
19 they're not fully trained and that it's more OJT
20 than anything else and number three, there's no on
21 site job safety records. So those are the three...
22 three of the reasons why I was led to move to the
23 bill, so I'm interested in hearing all of these
24 dynamics 'cause I want to shape or reshape my
25

1
2 opinion based on the hearing today. I didn't get
3 here early...

4 DANIEL MARTIN: [interposing] Mm-hm.

5 COUNCIL MEMBER COMRIE: Because I had
6 to pay my respects to Congressman Major Owens. His
7 funeral was this morning, so I'm trying to
8 backtrack on some of the earlier testimony, and I'm
9 chagrined that the administration didn't show up
10 'cause I wanted to understand what their... at
11 least the opinion of HPD, who has a major role in
12 hiring for affordable housing and what they think
13 of how they're making sure that these safety checks
14 are being done, so I'm trying to make sure that I
15 understand all aspects of this as we move forward
16 with dealing with this bill.

17 DANIEL MARTIN: Well, I believe you'll
18 have the opportunity. There are several developers
19 in the room that build affordable housing and I'm
20 sure those questions may be best answered by them.

21 COUNCIL MEMBER COMRIE: Okay, I
22 appreciate it. Did you want to answer to that?

23 ALEXANDRA HANSON: I think that's true.
24 I mean the bottom line is that many of these we're
25 talking about, established businesses that have

1 established track records, their you know, workers
2 have OSHA trainings. There a building skills
3 training that our members have put together that
4 provides all of these various different types of
5 training and certifications that I discussed in my
6 testimony. There is quite a bit of training that
7 exists. Our concern is that it falls far outside
8 of the... it falls outside of the scope of what is
9 very narrowly defined in Intro 1169, and what this
10 is going to do is it's basically going to preclude
11 anyone who doesn't already have existing access to
12 a Department of Labor approved training from
13 working on these projects, and again, these are
14 businesses with track records. We're not... you
15 know, this bill is basically precluding them from
16 doing work that they have proven they are able to
17 competently do.

19 COUNCIL MEMBER COMRIE: Okay, well, I
20 appreciate hearing your feedback on it and again,
21 my concern is that we're hearing that the work is
22 not being done at the proper standards and that
23 there are safety issues, and I've gotten complaints
24 from people that have been in affordable housing
25 homes that they can be in this... the quality of

1 the work is not sufficient and nine times out of
2 10, they have to call in other contractors to redo
3 property and we've had a lot of homes in the
4 affordable housing makeup that have been built and
5 have been... and you know, they just have been a
6 quality product where you can you know, bang on the
7 ceiling in one room and hear it in the basement.
8 So you know, but there are some concerns about the
9 quality of work that is being done and that's why
10 we want to... that's one of the reasons why we were
11 thinking about putting a safety and a standard bill
12 together because one of the things that we found
13 out also in the council is that anyone can become a
14 developer or a contractor, and we're trying to also
15 raise the bar to understand that whoever is
16 building in this city has a level of standing, a
17 level of accountability and a level of proficiency
18 before they claim that they can be a contractor;
19 that they at least know how to put a hammer and a
20 nail in, not just write to be able to get a
21 contract. They take and make sure that HBAC is
22 done properly as opposed to having some
23 subcontractor do it in a quick and shoddy manner,
24 as we found has been happening as well. So we're
25

1 trying to understand how to increase the level of
2 safety and proficiency in the housing that we do
3 build as well, and we need to have it affordable
4 and you know, but there needs to be an
5 understanding of how we get there, including the
6 fact that we need to employ as many city workers as
7 well; city residents as well.

9 ALEXANDRA HANSON: Absolutely, and
10 NYSAFAH is as committed as the council to ensuring
11 high quality work worked on safely and we look
12 forward to working with the council on that, but
13 what we feel is that this is not going to achieve
14 those end goals and what it's going to do is it's
15 essentially going to take a sledgehammer to all of
16 these businesses that are working in affordable
17 housing now and have this proven track record
18 'cause they simply do not have access to these
19 programs. And so we very much look forward to
20 working with the council to identify ways to
21 enhance safety, and the reality is is that none of
22 our... we do not... we don't want quality... sorry,
23 we do not want low quality work as much as you do
24 not want low quality work. That is not... people
25 do not want to have to compete against people who

1 are not performing well and are cheating. It's not
2 fair to the good businesses out there as well.
3 There are many, many good businesses working in
4 affordable housing, the vast majority of them, with
5 very, very good product providing very important
6 resource; high quality resource affordable housing
7 to New York...

9 [crosstalk]

10 COUNCIL MEMBER COMRIE: But...

11 [crosstalk]

12 ALEXANDRA HANSON: City residents.

13 [crosstalk]

14 COUNCIL MEMBER COMRIE: You understand
15 that the last three or four building collapses that
16 happened were done with people that were not union;
17 not trained. They were picked up from a side
18 street that you know, they weren't even... I think
19 the last two that collapsed in Queens we found out
20 that the workers had no real work experience. They
21 were just picked up from a... what do you call
22 those when they have a location near a building
23 supply place where people are just congregating?
24 You know, the developers are not picking real
25 workers or people that are truly trained. They're

1 picking up shifters and people that are just trying
2 to get whatever job possible at whatever salary
3 possible, so we need to look at the entire panorama
4 of this problem because it's a real problem. If
5 we're not having some checks and balances to ensure
6 that the people that are actually on the job have
7 the skills to make a quality product, we still have
8 a problem.
9

10 ALEXANDRA HANSON: Absolutely, but the
11 reality is is that affordable housing is already a
12 highly regulated industry. There's a lot of
13 oversight, as Mr. Martin alluded to and as you will
14 hear from some other developers...

15 COUNCIL MEMBER COMRIE: [interposing]
16 Okay.

17 ALEXANDRA HANSON: Later in the panel.

18 COUNCIL MEMBER COMRIE: Well, I'll try
19 to stay and question some of those too. Just for
20 the other panel, now the other complaint I get from
21 my constituents is they can't get to an apprentice
22 job, Sarah, or they haven't... or if they get their
23 first apprentice job, then they don't get the next
24 job, so you know, how many apprentice programs are
25 there and what kind of levels of apprenticeship

1 numbers are you turning over every year as far as
2 people that are going through the apprenticeship
3 training program? Do you have that information?
4 I'm talking to Sarah now.
5

6 ALEXANDRA HANSON: Oh, sorry.

7 SARAH JOHNSON: Sorry, I'm here
8 testifying on the behalf of the Working Families
9 Party. I think it would probably be more
10 appropriate for some of the folks that were part of
11 the labor panel earlier today that have deeper
12 technical...

13 [crosstalk]

14 COUNCIL MEMBER COMRIE: Oh, I'm sorry.

15 [crosstalk]

16 SARAH JOHNSON: Knowledge on that
17 stuff.

18 [crosstalk]

19 COUNCIL MEMBER COMRIE: I was at the
20 funeral, so I missed the panel, but I will be
21 querying them...

22 SARAH JOHNSON: [interposing] Yep.

23 COUNCIL MEMBER COMRIE: As to those
24 numbers 'cause I think that's a major part of the
25 complaint from the community as well. If they

1 can't get into the programs and they're not getting
2 the jobs, then they're working in communities...
3 and they're living in communities and work is being
4 done by people that are clearly not from the
5 community or not even from the city. It's a major
6 problem, so the level of apprenticeships that are
7 being given out and the ability of people to even
8 start apprenticeship programs is something that
9 concerns me as well, but since you don't have those
10 answers, we'll move on. Thank you, Madam Chair.

12 [Pause]

13 COUNCIL MEMBER REYNA: Thank you, Madam
14 Chair. I just wanted to follow up on the line of
15 questioning. Mr. Martin, I appreciate that you had
16 mentioned you would be happy to work with the
17 council. I just needed to understand how.

18 DANIEL MARTIN: You know, I think we
19 all believe there's a need for training programs,
20 but a training program that has the best
21 methodology to be inclusive rather than to move
22 people out of a program. We have a number of...

23 COUNCIL MEMBER REYNA: [interposing]
24 Remove people out of what program?

25 [crosstalk]

2 DANIEL MARTIN: In other words, we have
3 a number of developers now that work under city
4 programs. We said before we...

5 [crosstalk]

6 COUNCIL MEMBER REYNA: What city
7 program is that?

8 DANIEL MARTIN: There's a range of HPD
9 programs that can be anything from infield new
10 foundations, new four percent tax, new...

11 [crosstalk]

12 COUNCIL MEMBER REYNA: Right, but those
13 are...

14 [crosstalk]

15 DANIEL MARTIN: Five percent...

16 COUNCIL MEMBER REYNA: [interposing]
17 I'm sorry, excuse me. Mr. Martin, those are all
18 programs that come with what would be subsidized
19 ability to finance your project; not necessarily
20 worker safety programs.

21 DANIEL MARTIN: Yes, but where I was
22 leading the conversation was if you take the small
23 businesses that typically benefit from those
24 subsidized programs out of the mix because they are
25 not in an apprentice program, that's the people we

1
2 are talking about. If you look a million dollar
3 subsidy, which is the threshold you know, for 1169,
4 that will ultimately shut down the majority of
5 current affordable housing projects out there
6 unless they have approved DOL apprenticeship
7 program. What we're saying is that there are many
8 other training programs that you can look at.
9 Rather than just looking at a very narrow DOL
10 program, there are many programs that you can now
11 start to explore.

12 COUNCIL MEMBER REYNA: That you're
13 starting to explore now.

14 [crosstalk]

15 DANIEL MARTIN: No, no, no, that I
16 think this bill could look at rather than just...

17 COUNCIL MEMBER REYNA: [interposing]
18 Well, what are you... I'm sorry. I know what I've
19 looked at in order to support this bill.

20 DANIEL MARTIN: Mm-hm.

21 COUNCIL MEMBER REYNA: I want to
22 understand how are you looking at...

23 DANIEL MARTIN: I think what I'm saying
24 is the council should be open to other ideas.

25

1 COUNCIL MEMBER REYNA: We are open.
2
3 That's why I'm asking you what are those ideas?

4 DANIEL MARTIN: Okay, I think that
5 there's a program right now through LaGuardia
6 College that teaches a number...

7 [crosstalk]

8 COUNCIL MEMBER REYNA: Do you use that?

9 DANIEL MARTIN: Many of our developers
10 in the room use it, yes.

11 COUNCIL MEMBER REYNA: Do you use that?

12 DANIEL MARTIN: I'm not a developer.

13 COUNCIL MEMBER REYNA: and so you're
14 representing what would be Housing Partnership
15 Development Corp, which is what?

16 DANIEL MARTIN: The New York City
17 Housing Partnership is a 31-year old not-for-
18 profit. We serve as an intermediary between New
19 York City, New York state and the development
20 community. We are a 50...

21 [crosstalk]

22 COUNCIL MEMBER REYNA: So you're the
23 financing...

24 DANIEL MARTIN: No, we are a 501c3 not-
25 for-profit. We...

2 [crosstalk]

3 COUNCIL MEMBER REYNA: Mm-hm.

4 DANIEL MARTIN: we work with developers
5 and the city alike...

6 COUNCIL MEMBER REYNA: [interposing]

7 Mm-hm.

8 DANIEL MARTIN: Where we are many times
9 in fee title ownership of the property under
10 private finance 411. We set up what's called a
11 Housing Development...

12 COUNCIL MEMBER REYNA: So you would...

13 [crosstalk]

14 DANIEL MARTIN: We're an intermediary.

15 [crosstalk]

16 COUNCIL MEMBER REYNA: Fall under...
17 right, intermediary with investment opportunity.

18 DANIEL MARTIN: No, we do not invest.

19 COUNCIL MEMBER REYNA: Okay, so as far
20 as your organization is concerned, do you track
21 worker safety issues; any fatalities or injuries on
22 the job?

23 DANIEL MARTIN: No, we do not track.

24

25

1
2 COUNCIL MEMBER REYNA: Okay, I just
3 wanted to get clarity as to your statement of how
4 you would work... would be happy to work with us.

5 DANIEL MARTIN: Currently now if you're
6 asking on tracking, the city has a 25-page
7 disclosure report. That 25-page disclosure will
8 ask many of the questions that you're currently
9 asking me. Through that process, all officers;
10 directors of the corporations that are applying for
11 city subsidies will undergo a credit check, as well
12 as what's called a LexisNexis. LexisNexis will
13 also print out many of the things that you're
14 asking...

15 [crosstalk]

16 COUNCIL MEMBER REYNA: Mm-hm.

17 DANIEL MARTIN: About and it'll be
18 available to all the city agencies, as well as the
19 lenders involved.

20 COUNCIL MEMBER REYNA: Mm-hm. I just
21 wanted to also just state you had mentioned bad
22 developers won't be on the list for awards through
23 the city...

24 [crosstalk]

1
2 DANIEL MARTIN: I think what we're
3 saying is...

4 [crosstalk]

5 COUNCIL MEMBER REYNA: Agencies.

6 DANIEL MARTIN: I think if there are
7 problems on the job, if you're a lender or if you
8 are the city, are you going to continue to award
9 poor performance? If, as a former banker, if I
10 have a developer that's coming to me for financing
11 and their track record is... and you know their
12 track record, you'll know if there is an accident
13 on the job. It'll come out and...

14 COUNCIL MEMBER REYNA: [interposing] As
15 a lender.

16 DANIEL MARTIN: As a lender or the...
17 either way. If the lender isn't going provide the
18 financing, they're not going to receive the award
19 from the city. It goes hand in hand.

20 COUNCIL MEMBER REYNA: Alright, I
21 just want to bring to your attention TNS Great
22 American, which was an award issued for city-owned
23 property...

24 DANIEL MARTIN: [interposing] Mm-hm.
25

1
2 COUNCIL MEMBER REYNA: In an RFP
3 proposal where numerous amount of complaints of
4 their workmanship under a different contract for
5 affordable homes that were built elsewhere, and the
6 fact that they were accused of wage theft and
7 indicted for it and despite that particular
8 numerous complaints of homeowners, they won a bid
9 to continue their practices until it was discovered
10 tied to an unrelated situation...

11 DANIEL MARTIN: [interposing] Mm-hm.

12 COUNCIL MEMBER REYNA: Where all work
13 was stopped.

14 DANIEL MARTIN: I can't speak to the
15 wage, but the problems with...

16 [crosstalk]

17 COUNCIL MEMBER REYNA: I understand. I
18 just wanted to share with you things do fall
19 through the crack.

20 DANIEL MARTIN: Mm-hm.

21 COUNCIL MEMBER REYNA: And this is a
22 perfect example of it.

23 DANIEL MARTIN: But on the repairs...

24 [crosstalk]

25 COUNCIL MEMBER REYNA: And so...

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[crosstalk]

DANIEL MARTIN: To the home, it was caused primarily by ice damming and TNS went back and made all the repairs on those homes, but it was ice...

[crosstalk]

COUNCIL MEMBER REYNA: So you are familiar with the...

DANIEL MARTIN: [interposing] Yes, I am.

COUNCIL MEMBER REYNA: Developer, okay.

DANIEL MARTIN: But it's... again, if you're familiar with what ice damming is where water gets under, freezes and causes problems, that can be on any type of home and they went back and they...

[crosstalk]

COUNCIL MEMBER REYNA: But that would be part of the monitoring, correct?

DANIEL MARTIN: Yes.

COUNCIL MEMBER REYNA: They should've never been awarded another contract.

DANIEL MARTIN: I...

2 COUNCIL MEMBER REYNA: That was your
3 earlier statement.

4 DANIEL MARTIN: Yeah, depending on how
5 fast the award was.

6 COUNCIL MEMBER REYNA: Okay.

7 DANIEL MARTIN: Yes.

8 COUNCIL MEMBER REYNA: Thank you. And
9 NYSFAFAH, I just wanted to ask how many workers have
10 enrolled in the program your scope referred to in
11 your testimony?

12 ALEXANDRA HANSON: Are you talking
13 about the program I referred to in terms of the one
14 developed by NYSFAFAH members?

15 COUNCIL MEMBER REYNA: Correct.

16 ALEXANDRA HANSON: Or are you talking
17 about the... okay, I don't actually have those
18 numbers, but I can get them for you.

19 COUNCIL MEMBER REYNA: You don't have
20 those numbers?

21 [crosstalk]

22 ALEXANDRA HANSON: I don't have them
23 with me today, but I can get them for you.

24 COUNCIL MEMBER REYNA: And you have a
25 membership of 300?

2 ALEXANDRA HANSON: Yes.

3 COUNCIL MEMBER REYNA: But you don't
4 recall how many participate today.

5 ALEXANDRA HANSON: Sorry, how many
6 participate... the... how many participate in the
7 apprenticeship program?

8 COUNCIL MEMBER REYNA: You mentioned
9 you have a program you... within your testimony,
10 and I was trying to...

11 ALEXANDRA HANSON: [interposing] Right.

12 COUNCIL MEMBER REYNA: Follow your
13 testimony. You were jumping a little bit, so...

14 ALEXANDRA HANSON: Sure, I shortened...

15 [crosstalk]

16 COUNCIL MEMBER REYNA: Because of time.

17 [crosstalk]

18 ALEXANDRA HANSON: It given...

19 COUNCIL MEMBER REYNA: [interposing]

20 Yeah.

21 ALEXANDER HANSON: The timeframe.

22 COUNCIL MEMBER REYNA: Mm-hm.

23 ALEXANDRA HANSON: So the... are you
24 talking about the apprenticeship program again?

25

1
2 COUNCIL MEMBER REYNA: Is that what you
3 were referring to, an apprenticeship...

4 [crosstalk]

5 ALEXANDRA HANSON: Sorry.

6 [crosstalk]

7 COUNCIL MEMBER REYNA: Program that
8 exists?

9 ALEXANDRA HANSON: Workforce training.

10 COUNCIL MEMBER REYNA: Workforce
11 training.

12 ALEXANDRA HANSON: Workforce training.

13 COUNCIL MEMBER REYNA: Okay, so you
14 have a workforce training...

15 ALEXANDRA HANSON: No, NYSAFAH
16 doesn't... we don't run it. I'm saying...

17 COUNCIL MEMBER REYNA: [interposing]
18 Okay.

19 ALEXANDRA HANSON: Several of our
20 developer members have established this program.

21 COUNCIL MEMBER REYNA: Okay and that
22 was established and it's state approved?

23 ALEXANDRA HANSON: I'm not... no, no.

24 COUNCIL MEMBER REYNA: Okay, so it's
25 not state approved and so it's not recognized by

1 the state; therefore, that could be part of the
2 hurdle?
3

4 ALEXANDER HANSON: So, no. Yes, it's
5 not recognized through the article referenced in
6 Intro 1169, so this is a relevant training
7 that's...

8 [crosstalk]

9 COUNCIL MEMBER REYNA: Why is it...

10 [crosstalk]

11 ALEXANDRA HANSON: Provided...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: Not state
14 approved? Why has it not gone through the state
15 approval process?

16 ALEXANDRA HANSON: I cannot speak to
17 that. I believe you'll probably hear from...

18 COUNCIL MEMBER REYNA: [interposing]

19 Okay.

20 ALEXANDER HANSON: Individuals later
21 who may be able to.

22 COUNCIL MEMBER REYNA: Do you track any
23 others within your association who have state
24 approved programs?

1 ALEXANDRA HANSON: That is not
2
3 something we've tracked, no.

4 COUNCIL MEMBER REYNA: It is not
5 something that you track, and do you track any
6 fatalities or injuries amongst the membership?

7 ALEXANDRA HANSON: That is not
8 something we track.

9 COUNCIL MEMBER REYNA: And do you
10 have... you had mentioned existing access in
11 reference to worker safety; that your membership
12 does not have existing access?

13 ALEXANDRA HANSON: I was... I was
14 referring to existing... access to the
15 apprenticeship programs that are referenced in
16 Intro 1169, so this specific narrow definition of
17 workforce training that is referenced in 1169 that
18 many of the smaller companies that work on
19 affordable housing; community-based businesses,
20 they don't have access to these sorts of training.

21 COUNCIL MEMBER REYNA: But they don't
22 have access because they don't qualify to have
23 access or they don't have access because they're
24 choosing not to have a worker safety program;
25 apprentice approved by the state?

2 ALEXANDRA HANSON: So yeah, many of
3 them do not have a program approved by the state.
4 It's a very resource intensive thing to go through
5 to be able to have this, and the point that I was
6 making is that in addition to the resources, the
7 bill takes effect immediately. So basically,
8 anyone who doesn't have a program as of the day the
9 bill would take effect...

10 COUNCIL MEMBER REYNA: [interposing]

11 Mm-hm.

12 ALEXANDRA HANSON: Would not have
13 access...

14 COUNCIL MEMBER REYNA: [interposing]

15 Mm-hm.

16 ALEXANDRA HANSON: To any of these jobs
17 simply...

18 COUNCIL MEMBER REYNA: [interposing]

19 And just to understand, Alexandra, if there were to
20 be a delay so that there is an opportunity to
21 provide what would be a state approved
22 apprenticeship program for worker safety, what
23 would that time be?

24 ALEXANDRA HANSON: So our current
25 understanding is that the approval process through

1 the Department of Labor is one to two years;
2 however, that's after you actually establish and
3 put together what the apprenticeship program looks
4 like as...

5 [crosstalk]

6 COUNCIL MEMBER REYNA: Has your
7 association ever taken the time to see this
8 particular document of 72 pages of state approved
9 programs?
10

11 ALEXANDRA HANSON: I did look through
12 some of the state approved programs, yes.

13 COUNCIL MEMBER REYNA: And how many of
14 your members participated in any of these?

15 ALEXANDRA HANSON: I can't say that I'm
16 familiar enough with what is in those 72 pages to
17 identify that.

18 COUNCIL MEMBER REYNA: So to your
19 knowledge, no member has a state approved
20 apprenticeship program that promotes what would be
21 access for worker safety training.

22 ALEXANDER HANSON: As per the narrow
23 definition of Intro 1169, I am not aware of, but
24 that... we... yeah, I'm not aware of anyone who has
25 access to that sort of training.

2 COUNCIL MEMBER REYNA: And what...

3 [crosstalk]

4 ALEXANDRA HANSON: And our
5 understanding is...

6 [crosstalk]

7 COUNCIL MEMBER REYNA: Mm-hm.

8 ALEXANDER HANSON: And New York City is
9 largely run by trade unions, so I know you're
10 saying that 18 percent throughout New York State.
11 I'd be interested in knowing what the number is
12 specifically for New York City.

13 COUNCIL MEMBER REYNA: And what is the
14 number amongst your membership with OSHA regulated
15 worker safety programs that are offered?

16 ALEXANDRA HANSON: My understanding is
17 that OSHA is a very basic requirement of being able
18 to work on any of these jobs.

19 COUNCIL MEMBER REYNA: And within your
20 scope, because you don't track any fatalities or
21 injuries, how do you address those issues?

22 ALEXANDRA HANSON: I mean in terms
23 of...

24 COUNCIL MEMBER REYNA: As an
25 association.

2 ALEXANDRA HANSON: I'm not sure...

3 COUNCIL MEMBER REYNA: And so...

4 [crosstalk]

5 ALEXANDRA HANSON: What you're...

6 [crosstalk]

7 COUNCIL MEMBER REYNA: No time is spent
8 as an association to review; track what would be
9 worker safety issues?

10 ALEXANDRA HANSON: I can't say that we
11 spend time tracking worker safety issues.

12 COUNCIL MEMBER REYNA: Okay, thank you
13 very much.

14 CHAIRPERSON KOLSLOWITZ: If everybody
15 speaks, we'll be here longer. We have another
16 committee hearing at 2:00, a very big hearing in
17 this Chambers, so I'm going to ask you to pick
18 three people that can come up and be on the panel.
19 L & M Builders Group and the same thing will go for
20 People for Political and Economic Empowerment. So
21 if you can pick three people to come up and speak.
22 I'll read your names, but just three of you please
23 come up. We have a lot of people and we're going
24 to start a clock, a three minute clock. From L & M
25 Builders Group we have Gerry Miceli; Julian Thomas;

2 Tito Castro; James Banister; Ron Moelis; Jeffero
3 Andrew Cornack [phonetic]; Mentor Haxhija; Lincoln
4 Samuel; Gerald... [background voices] Gerald
5 Miceli. Some of you signed up twice. Roger
6 Thomas; Alex Pena [phonetic], Nelson Estacio
7 [phonetic]; Robert Bevins; Dorello Santabena
8 [phonetic]. I know I'm not pronouncing some of
9 your names right. I'm sorry. And Kayco Ekos
10 [phonetic]. We have...

11 [Pause]

12 RON MOELIS: Ron Moelis. I'm the CEO
13 of L & M.

14 JULIAN THOMAS: Julian Thomas. I'm a
15 worker at L & M.

16 NELSON ESTACIO: And Nelson Estacio.
17 I'm a worker for L & M.

18 GERRY MICELI: Gerry Miceli. I'm a
19 Vice President of Construction for L & M.

20 MENTOR HAXHIJA: Mentor Haxihija. I'm
21 a project manager for L & M.

22 CHAIRPERSON KOSLOWITZ: When you speak
23 can you please say your names again? You could
24 start.

2 RON MOELIS: Thank you for the
3 opportunity. My name again is Ron Moelis. I'm the
4 CEO of L & M Development Partners. L & M has been
5 developing affordable mixed income housing in New
6 York City for the past almost 30 years. We...

7 CHAIRPERSON KOSLOWITZ: Wait one
8 minute. Can we put on a clock; three minute clock?

9 RON MOELIS: You know me. [laughter]

10 CHAIRPERSON KOSLOWITZ: No, it's just
11 that we have so many...

12 [crosstalk]

13 RON MOELIS: Okay.

14 [crosstalk]

15 CHAIRPERSON KOSLOWITZ: People...

16 [crosstalk]

17 RON MOELIS: Okay.

18 CHAIRPERSON KOSLOWITZ: Here that want
19 to testify.

20 RON MOELIS: I could've gone on for
21 hours, so that was a wise move. So L & M is an
22 employee owned company. It's 100 percent owned by
23 the employees of L & M. We employ almost 300
24 people in New York City and again, we have been
25 doing this for almost 30 years, and we have a large

1 component of our company that does construction,
2 and I have a number of the guys in the construction
3 end here because a lot of the questions that were
4 being asked were fairly technical and I felt they
5 may be able to help and they can also talk about
6 their role at the company.
7

8 I want to speak to one thing. There's
9 been a lot of talk about how devastating this bill,
10 Intro 1139 would be to the affordable housing
11 industry and to many of us who are in the business
12 currently doing a lot of work, both preservation
13 and new construction, and I think that's all true
14 and I echo a lot of those comments. I want to talk
15 a little bit about the training program that Alex
16 was speaking to and maybe I can help a little more
17 to answer questions. About six years ago, and this
18 was really initiated in part by Council Member
19 Reyna, who I had lunch with or had a meeting with.
20 and was talking about how difficult it was for
21 people in her community to get jobs in the
22 construction trades and how a lot of us were doing
23 work in communities where people who needed jobs
24 and wanted to get jobs couldn't get jobs, and when
25 they got jobs they were often low paying and jobs

1 where they worked for six months or nine months on
2 a current job in that community, then were let go.
3 And I co-founded along with a number of other
4 developer builders in our organization, a training
5 program called Building Skills. We started at
6 LaGuardia College. The training is now being done
7 by an affiliate of City College. We work with
8 three or four different non-profit intake providers
9 who bring in people from communities that we do
10 work with. They're all from New York City. Most
11 of them are from the boroughs of Northern
12 Manhattan. We've trained hundreds of people, and
13 one of the beauties of this thing is that we're...
14 there's a 20 member board of developer builders who
15 have funded part of this. It's being funded
16 totally privately by the board. The Robin Hood
17 Foundation's involved; Goldman Sach's Founation.
18 We've raised money from some of the banks we work
19 with. We've talked to some council members and
20 some of the... one or two borough presidents and a
21 couple people up in the state about additional
22 financing and the idea was to try to get it up and
23 running. We've trained hundreds of workers. We've
24 hired almost many of them; not all, but many of
25

1 them. So not only do the workers get trained in a
2 specific trade, whether it's carpentry, plumbing,
3 electrical, whatever, they also have job
4 opportunities because the board, of which most of
5 us are builder developers in the affordable housing
6 world, have obligations and opportunity here to
7 hire from the communities we're in here and hire
8 local people, mostly [chime] youth who need those
9 kind of jobs and they're good paying jobs.
10

11 JULIAN THOMAS: Alright, good
12 afternoon. My name is Julian Thomas and I am happy
13 to be here today representing my company. I'm
14 proud to have an opportunity to speak in front of
15 the council, and I got to say that L & M has been
16 very good to me. I've been working with the
17 company now from since 1989 and everything that I
18 achieved in my life is due to this company. I
19 would stick up for the company 100 percent. We do
20 get training and if we have a problem we can always
21 to go our foreman; a supervisor and find out what's
22 the problem and they are there to help us, and I
23 really think that if you just put the training in
24 the union hands, I don't think it's going to work
25 out properly because they have a lot of companies

1 in the city and the small business companies who
2 are not union and what are you going to do about
3 all these people? I'm a proud example. I mean
4 we're not union, but as far as I can say, we are
5 like a union because we got basically everything
6 that that union gives. Maybe the only thing that
7 the union has that I don't have is a bigger pay,
8 and I don't even worry about that because a lot of
9 my friends are in the union and they work six
10 months and then get laid off. I've been working
11 with this company now for like 18 years straight,
12 and a lot of union workers come to my construction
13 site looking for work, so I can vouch for this
14 company. This is a very, very, very good company,
15 and that's all I got to say.

17 NELSON ESTACIO: Good afternoon. My
18 name is Nelson Estacio. I've been working for L &
19 M 12 years. Out of the 12 years, they've been
20 helping me. I've been training. They trained me a
21 whole lot. Now, when I didn't have nothing, I
22 looked for jobs. Unions turned me down; all the
23 time the union turned me down. I met L & M from
24 another job I was on with Beechwood. I left
25 Beechwood; went with L & M. I have good benefits,

1
2 I have no problems with them, I get paid very well
3 and that's all I have to say.

4 GERRY MICELI: My name is Gerry Miceli
5 and I represent L & M Builders Group. Having 19
6 years experience working with a union builder in
7 New York City, New York's premier union builder and
8 general contractor, and having spent the last eight
9 years with L & M Builders Group, I must say that I
10 have reference to both sides of this debate. I
11 have 12 staff members that work with me right now
12 at L & M that can vouch and say the same thing;
13 that they've got years of experience on both sides
14 of this debate. I believe the legislation should
15 focus on enhancement of an existing labor force and
16 not the movement to abolish the existing force. It
17 was only a few years ago when organized labor had
18 no interest in the affordable housing industry, and
19 only due to their failures do they wish to now
20 infiltrate and build the affordable housing
21 industry. I can honestly say having worked on both
22 sides that L & M will build it as safe as any union
23 builder. We are subject to the same DOB, DOT
24 building regulations. We have full-time safety
25 audits; full-time safety monitors on buildings 10-

1 story or above; safety plans. The approach L & M
2 takes is no different than the approach that I took
3 in the previous 19 years of my career. As far as
4 the quality, there's no union builder that can
5 build the quality of what we do better than we can.
6 They may build it up to the same standard, but
7 they're not going to build it better than L & M.
8 An individual that says that they can build it
9 faster; I'm going to say that they can't build it
10 faster, not 'cause we don't build it safer. It's
11 because we don't have work rules that distinguish
12 who can do what work. And lastly, I think if this
13 were to be passed and the non-union affordable
14 builder were to be pushed out, that you would be
15 building much less affordable housing because on
16 the budget side we can build it better 'cause the
17 work rules, not the hourly rate, but the work rules
18 is what clearly push up the dollars on a square
19 foot basis of our buildings. And while all workers
20 deserve a better and good paying job with benefits
21 for their families, we should be working to enhance
22 that such for the current affordable housing
23 workforce and not try to push them aside.
24

1 MENTOR HAXHIJA: Good afternoon. My
2 name is Mentor Haxhija and I, too, represent L & M
3 Builders. I, along with Gerry, come from a
4 background of working for a union general
5 contractor and I spent the last seven years working
6 for L & M. I just want to point out one particular
7 important thing. There's not a single worker that
8 goes in any one of our jobs that has not received
9 OSHA 10-hour training at a minimum. They do not
10 walk... they do not even get a chance to walk onto
11 the job site. Every individual goes through that
12 training and additional training as dictated by the
13 type of work that they're doing. For example,
14 anyone on a scaffold; minimum four-hour scaffold
15 training. Okay, anyone touching asbestos, as some
16 individuals mentioned earlier, has the appropriate
17 asbestos training. We are under more scrutiny from
18 the DOB and OSHA on a daily basis than the union
19 jobs are. We get... we are often subject to phone
20 calls that come from union men protesting outside.
21 They call OSHA anonymously they call the DOB
22 anonymously and they come to the job. We have DOB
23 visit our projects several times a month. We have
24 the Fire Department visit our projects twice a
25

1 week, pretty typical going on right now. We've
2 made a lot of strides over the last few years to
3 increase the training amongst the affordable
4 housing workforce. They've done a nice job
5 building safely and efficiently, and we should
6 focus our effort in continuing that progress that's
7 been made. I believe we work as safely as any
8 union run job. We find less resistance from our
9 non-union workers in complying with safety
10 regulations than I have experienced on the union
11 side. This legislation's going to take jobs away
12 from workers living in the city. These folks
13 deserve to build their own neighborhoods. We need
14 to continue the progress that has been and not
15 completely turn our backs towards that. We have
16 site safe... full-time site safety managers at any
17 building that's over 10 stories. We have weekly
18 safety audits in every one of our jobs. Every
19 contractor that's on the job has a health and
20 safety plan that has to be maintained on site. We
21 do track injuries. We have to comply with OSHA 300
22 logs. They have to be posted on site. The same
23 enforcement that happens for union trades happens
24 on non-union jobs as well. Maybe some of the
25

2 really small jobs; you know, the two or three-story
3 buildings it's less enforcement on the DOB, but
4 that's certainly not the case for the majority of
5 the work that we do. Thank you.

6 CHAIRPERSON KOSLOWITZ: Thank you. Do
7 you have a question?

8 COUNCIL MEMBER REYNA: The Chair is
9 being very patient with me and we have to be out of
10 here by 2:00. We wanted to just take a moment. I
11 wanted to understand the workers who've taken a day
12 of their work to be here, and I know many of you
13 have, so I want to thank you because it brings the
14 dialogue to a much more transparent level. The
15 workers come from what zip code area of residence
16 if you can just tell me that?

17 JULIAN THOMAS: Well, like I said I've
18 been working with L & M...

19 COUNCIL MEMBER REYNA: [interposing]
20 Just your zip code.

21 JULIAN THOMAS: Oh, well, I live in...
22 [crosstalk]

23 COUNCIL MEMBER REYNA: And then his.
24 [crosstalk]

25 JULIAN THOMAS: New Jersey.

2 COUNCIL MEMBER REYNA: Okay, and you?

3 NELSON ESTACIO: I live in Brooklyn.

4 COUNCIL MEMBER REYNA: Where in
5 Brooklyn; zip code?

6 NELSON ESTACIO: Oh, 11221.

7 COUNCIL MEMBER REYNA: In Bushwick.

8 NELSON ESTACIO: Right.

9 COUNCIL MEMBER REYNA: And you?

10 GERRY MICELI: I'm not a laborer.

11 COUNCIL MEMBER REYNA: And you?

12 MENTOR HAXHIJA: I live in 10463. I
13 was raised in the Bronx and I still live there.

14 COUNCIL MEMBER REYNA: 10463 is the
15 Bronx.

16 MENTOR HAXIJA: Yes.

17 COUNCIL MEMBER REYNA: I just wanted to
18 get an understanding of that as far as the local
19 hiring piece is concerned and I wanted to
20 understand as far as L & M is concerned, which I
21 applaud the employee sharing. I've not sat down to
22 understand the employee sharing with L & M
23 regarding this, and I'm happy to hear that Mr.
24 Moelis has remembered that conversation because
25 it's one of my greatest frustrations with all the

1 development that has occurred in my district,
2 having lost 10,000 families already in this last
3 rezoning or this last redistricting and having seen
4 the largest rezoning ever in the history in our
5 community all in one shot in 2005. I have not seen
6 what would be the local hiring that we were
7 anticipating, but I applaud your employee sharing
8 model for your company. I don't know what that
9 structure is like; whether or not the employee
10 sharing is part of a compensation that raises each
11 employee's value package as far as commensurate to
12 what would be union wages. Is that accurate?

14 RON MOELIS: Yeah, that is generally
15 accurate. I don't know exactly the comparison, but
16 we try to... we have scale that we pay all our
17 employees...

18 COUNCIL MEMBER REYNA: [interposing]
19 Would you...

20 [crosstalk]

21 RON MOELIS: And...

22 COUNCIL MEMBER REYNA: Can you give me
23 a range?

24

25

2 RON MOELIS: You know, the... I think
3 our minimum is about \$15.00 to \$18.00 an hour when
4 people just start out with...

5 COUNCIL MEMBER REYNA: [interposing]
6 Mm-hm.

7 RON MOELIS: You know just coming in.

8 GERRY MICELI: The average hourly is
9 \$25.00 an hour.

10 RON MOELIS: The average hourly is
11 \$25.00. Now, we... our employees run across
12 construction development and management, but to
13 answer your question about the... and everyone gets
14 health benefits and 401k.

15 GERRY MICELI: Everyone has 401k.

16 RON MOELIS: But also, the employee...
17 it's called an ESOP, so every employee owns a piece
18 of the company.

19 COUNCIL MEMBER REYNA: Right.

20 RON MOELIS: And they have stock in the
21 company, which...

22 COUNCIL MEMBER REYNA: [interposing]
23 Right.

24 RON MOELIS: Has value, a value
25 that's...

2 [crosstalk]

3 COUNCIL MEMBER REYNA: Is it a minimum?

4 RON MOELIS: I'll... I...

5 COUNCIL MEMBER REYNA: [interposing] Is
6 it a...

7 RON MOELIS: It's in the six figures,
8 okay, so I don't have that information. I'm not
9 sure I want to make that public, but it's a fairly
10 significant amount of money.

11 COUNCIL MEMBER REYNA: I was trying to
12 be as vague as possible.

13 RON MOELIS: Okay.

14 COUNCIL MEMBER REYNA: I wanted to also
15 understand as far as the company is concerned, how
16 many... do you track the injuries and fatalities
17 that occur on the job site?

18 RON MOELIS: Yes.

19 GERRY MICELI: Yes.

20 COUNCIL MEMBER REYNA: And how many in
21 the last 12 years?

22 GERRY MICELI: Fatalities zero.

23 COUNCIL MEMBER REYNA: And injuries?

24 RON MOELIS: No, not zero.

1
2 GERRY MICELI: I mean I... sitting here
3 today, we don't have that information, but this is
4 known information; tracked information. I'll be
5 more than happy to give you this information at
6 some later date.

7 RON MOELIS: We've... it's not a lot, I
8 mean considering we're doing a couple hundred
9 million dollars of construction a year. There are
10 going to be some injuries and...

11 COUNCIL MEMBER REYNA: [interposing]
12 Right.

13 RON MOELIS: Obviously you want to
14 minimize that.

15 COUNCIL MEMBER REYNA: Mm-hm.

16 RON MOELIS: And I think I speak not
17 only for L & M, but for our industry I think the
18 issues raised by Council Member Comrie about there
19 being some bad actors in general in the
20 construction world in New York City, my guess is
21 that's true everywhere in the country, but that...

22 [crosstalk]

23 COUNCIL MEMBER REYNA: Mm-hm.
24
25

1
2 RON MOELIS: Certainly there is some of
3 that here, but I think our industry is well
4 represented in not having that.

5 COUNCIL MEMBER REYNA: Mm-hm.

6 RON MOELIS: And as far as the local
7 hiring that you mentioned, aside from the zip codes
8 of the people here, we... Council Member Richards;
9 I just finished... we're just finishing up a very
10 large renovation in his district and we hired I
11 think about 40 people, not only from the community,
12 but from the property. It was 1,100 apartments, so
13 we were able to hire a lot of local people. Now,
14 obviously, all those people can't be DOL trained
15 and we don't want... I mean we think there's
16 clearly an opportunity, with your help, to do more
17 than we're doing or that anyone in the city's doing
18 as far as training...

19 COUNCIL MEMBER REYNA: [interposing]
20 Right.

21 RON MOELIS: And creating good jobs and
22 good employment for construction workers, but
23 there's also an opportunity to hire locally for
24 people who aren't trained to do things and get
25 training on the job as well.

2 COUNCIL MEMBER REYNA: And Mr. Moelis,
3 I know that I'm trying to make sure that I'm
4 concise with my questions. I know that there's a
5 question regarding what would be training. You
6 mentioned you tried to minimize what would be those
7 injuries, and obviously that's connected to the
8 volume of hours and training. What is the maximum
9 amount of training for worker safety on the job per
10 employee?

11 RON MOELIS: Well...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: Or the minimum
14 rather first.

15 RON MOELIS: Yeah, the minimum is
16 everybody gets a 10-hour OSHA training.

17 GERRY MICELI: The standards and
18 requirements are such...

19 [crosstalk]

20 COUNCIL MEMBER REYNA: I'm just asking
21 on-the-job training for the company.

22 GERRY MICELI: I'm...

23 [crosstalk]

24 COUNCIL MEMBER REYNA: Minimum.
25

1 GERRY MICELI: I'm just trying to
2
3 answer your question. The...

4 [crosstalk]

5 COUNCIL MEMBER REYNA: I'm trying to be
6 concise as well, so I just need... we can continue
7 to...

8 [crosstalk]

9 GERRY MICELI: We...

10 [crosstalk]

11 COUNCIL MEMBER REYNA: Have the...

12 [crosstalk]

13 GERRY MICELI: We meet all the...

14 [crosstalk]

15 COUNCIL MEMBER REYNA: The dialogue.

16 GERRY MICELI: DOB requirements on the
17 training required.

18 COUNCIL MEMBER REYNA: Minimum Is 10
19 weeks.

20 RON MOELIS: No, 10 hours.

21 COUNCIL MEMBER REYNA: 10 hours...

22 [crosstalk]

23 RON MOELIS: Of safety...

24 [crosstalk]

25 COUNCIL MEMBER REYNA: Per week.

2 [crosstalk]

3 RON MOELIS: Training. No, no, it's...
4 you're saying the... first of all, I just...

5 GERRY MICELI: [interposing] There's
6 many aspects.

7 RON MOELIS: There's a minimum of 10
8 hours of OSHA training that's...

9 COUNCIL MEMBER REYNA: [interposing]
10 Mm-hm.

11 RON MOELIS: Mandated that no one walks
12 on the job without having that.

13 COUNCIL MEMBER REYNA: Mm-hm.

14 RON MOELIS: I do think that at some
15 point training doesn't lead to safety. You know,
16 it's more supervision and how you run a job and
17 the... you know you need a certain amount of
18 training.

19 COUNCIL MEMBER REYNA: Mm-hm.

20 RON MOELIS: I think our minimum...
21 everybody before they walk on the job gets a 10-
22 hour OSHA training program and then there are other
23 training aspects as well but...

24 COUNCIL MEMBER REYNA: And...

25 [crosstalk]

2 RON MOELIS: That's the minimum.

3 [crosstalk]

4 COUNCIL MEMBER REYNA: 10 hours...

5 [crosstalk]

6 RON MOELIS: It depends...

7 [crosstalk]

8 COUNCIL MEMBER REYNA: 10 hours for how
9 long? Is that a minimum of 10 hours for a week?

10 Is that a minimum of 10 hours...

11 GERRY MICELI: [interposing] The
12 requirements...

13 [crosstalk]

14 COUNCIL MEMBER REYNA: For weeks?

15 [crosstalk]

16 GERRY MICELI: Are the same for a union
17 or a non-union project, so the answers we're giving
18 you...

19 COUNCIL MEMBER REYNA: [interposing]
20 Mm-hm.

21 GERRY MICELI: The answers are the
22 same. Depending upon what that individual is
23 physically doing on site; if he's...

24 [crosstalk]

25 COUNCIL MEMBER REYNA: Mm-hm.

1 GERRY MICELI: Burning he needs a
2
3 certificate of fitness. If he's on a scaffold he
4 needs a four-hour scaffold.

5 COUNCIL MEMBER REYNA: Mm-hm.

6 GERRY MICELI: If he's on a hanging
7 scaffold he needs an eight-hour scaffold. So it
8 depends upon on what that individual is doing, but
9 what Ron was trying to state was that the minimum,
10 but even if an individual is pushing a broom, he
11 must have a 10-hour OSHA card and that has a five-
12 year limit, and then it has to be renewed and he
13 needs a recertification as dictated by OSHA and as
14 dictated by the Department of Buildings.

15 COUNCIL MEMBER REYNA: Okay and then as
16 far as the worker safety training program that I
17 had referred to, do you use any of the state
18 approved apprenticeship programs?

19 RON MOELIS: We don't. When we started
20 our training program; our workforce training
21 program, we tried to get... it would've been very
22 helpful for us to get approved by the Department of
23 Labor. We were told it would take a couple of
24 years; cost \$24,000 a student. It was a very
25 arduous process and the sort of word on the street

1 was that it wasn't available in New York City
2 unless you were union related, so I'd love to see
3 the list. I know that...

4 COUNCIL MEMBER REYNA: [interposing]

5 RON MOELIS: That Alex looked at it.
6 We have often talked about getting building skills
7 labor approved, but it seemed... it wasn't feasible
8 in the time constraint...

9 [crosstalk]

10 COUNCIL MEMBER REYNA: So...

11 [crosstalk]

12 RON MOELIS: We had.

13 COUNCIL MEMBER REYNA: I think I'm
14 asking two different questions. Builder Skills is
15 your own program that you want to get certified
16 through the state, but then that doesn't mean that
17 you can't use what would be... whether it's union
18 or non-union by like this has everything. This is
19 a state approved list.

20 RON MOELIS: Well, the only way you can
21 use a union... my understanding is the only way you
22 can use a union apprenticeship program is if you're
23 working...

2 COUNCIL MEMBER REYNA: [interposing]

3 But what... no.

4 RON MOELIS: The non-union ones?

5 COUNCIL MEMBER REYNA: Yes.

6 RON MOELIS: I don't think we have. I
7 think we have...

8 COUNCIL MEMBER REYNA: [interposing] So
9 there hasn't...

10 [crosstalk]

11 RON MOELIS: I don't...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: Been...

14 [crosstalk]

15 RON MOELIS: I don't know of any in the
16 city. I'm curious to get that list and...

17 [crosstalk]

18 COUNCIL MEMBER REYNA: This is state
19 approved list with both union and non-unions.

20 RON MOELIS: And I...

21 [crosstalk]

22 COUNCIL MEMBER REYNA: The question is
23 have you ever looked at it, so the answer is no.

24 RON MOELIS: I have not seen that list.

25

1
2 GERRY MICELI: We are not aware of its
3 existence and we'd be very interested in seeing
4 what you have.

5 COUNCIL MEMBER REYNA: So why would you
6 want...

7 [crosstalk]

8 GERRY MICELI: And we...

9 [crosstalk]

10 COUNCIL MEMBER REYNA: To start one of
11 your own as opposed to seeing what's out there?

12 RON MOELIS: Because we are interested
13 in hiring... training and hiring people who come
14 from the communities that we build in. So when we
15 build in your community, you want people in your
16 community hired. So if we have a training program
17 that we can refer people in Bushwick to that
18 training program and then hire them, we get skilled
19 labor who we can hire. We've done a lot of that
20 and we're doing that in Harlem right now in Council
21 Member Dickens' district. We're doing that in East
22 Harlem; we're doing that in East New York. So when
23 we're in the communities that we're building,
24 generally the local government; the council members
25 and local government people and the community board

2 want to see their people hired and it was... we
3 didn't see any availability of... we looked into
4 it. Maybe we didn't look hard enough; we didn't
5 see any availability of state approved Department
6 of Labor apprenticeship programs in these
7 communities.

8 COUNCIL MEMBER REYNA: And I continue
9 to see the same unemployment rates in one section
10 of my district at 18 percent unemployment.

11 RON MOELIS: It's a big...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: You know.

14 RON MOELIS: I mean and we...

15 [crosstalk]

16 COUNCIL MEMBER REYNA: So bounded...

17 [crosstalk]

18 RON MOELIS: And we're make...

19 [crosstalk]

20 COUNCIL MEMBER REYNA: By development.

21 [crosstalk]

22 RON MOELIS: And we're making...

23 [crosstalk]

24 COUNCIL MEMBER REYNA: So.

25 [crosstalk]

2 RON MOELIS: Very small inroads, but
3 it's a big problem.

4 COUNCIL MEMBER REYNA: So I just wanted
5 to share, right, we have to do better with where
6 we're claiming we're looking or building our own,
7 right? The point is there's an existing program in
8 the state of New York or existing programs, plural,
9 where we could have taken as an option, but we
10 didn't because we want to create our own.

11 RON MOELIS: [interposing] No, no, no.

12 COUNCIL MEMBER REYNA: But that's where
13 the delay begins and then the conversation ends.

14 GERRY MICELI: How many of those are in
15 New York City? Well, how many of those are in New
16 York City and how many of those are non-union
17 related?

18 COUNCIL MEMBER REYNA: According to our
19 statistics 18 percent are union of the list.

20 GERRY MICELI: Okay.

21 COUNCIL MEMBER REYNA: So I want you to
22 do your...

23 [crosstalk]

24 GERRY MICELI: And how many...

25 [crosstalk]

2 RON MOELIS: We will...

3 [crosstalk]

4 GERRY MICELI: Are you...

5 [crosstalk]

6 RON MOELIS: No, no, Gerry...

7 [crosstalk]

8 COUNCIL MEMBER REYNA: I... I...

9 [crosstalk]

10 RON MOELIS: We'll do our homework on
11 this...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: Thank you.

14 [crosstalk]

15 RON MOELIS: And we'll get back...

16 [crosstalk]

17 COUNCIL MEMBER REYNA: I appreciate

18 that.

19 [crosstalk]

20 RON MOELIS: To you on that.

21 [crosstalk]

22 COUNCIL MEMBER REYNA: Mr. Moelis.

23 GERRY MICELI: I just want to add one
24 final thing. I mean safety is more than just a
25 apprenticeship.

2 CHAIRPERSON KOSLOWITZ: [interposing]
3 Gonna have to cut this short because there...

4 GERRY MICELI: Quickly, but...

5 CHAIRPERSON KOSLOWITZ: [interposing]
6 We have...

7 GERRY MICELI: Fine.

8 CHAIRPERSON KOSLOWITZ: Probably about
9 50 other people that want to...

10 [crosstalk]

11 GERRY MICELI: Okay.

12 CHAIRPERSON KOSLOWITZ: Testify. We
13 just have to cut this short. We have...

14 [crosstalk]

15 RON MOELIS: Thank you very much.

16 CHAIRPERSON KOSLOWITZ: We want to be
17 fair to you know, people who have been sitting here
18 the whole time. Next panel is Vincent Rizzo
19 [phonetic]; Joshua Brown; Ted Horton; Dr. Devine
20 Pryor; Gary Rodney and Randy Marcus.

21 [Pause]

22 CHAIRPERSON KOSLOWITZ: You want to
23 start? Introduce yourself.

24 [Pause]

25

1
2 JOSHUA BROWN: Alright, Joshua Brown,
3 Brownstone Construction.

4 CHAIRPERSON KOSLOWITZ: Yes.

5 JOSHUA BROWN: In reviewing Intro 1169,
6 one of the things that I found to be a little
7 disturbing about Intro 1169 is that we're pushing
8 for a bill that would totally ostracize non-union
9 workers by stating that we should enroll in a class
10 that would take us about two to three years to be
11 certified according to what the bill states, when
12 we have developers from NYSFAFH who have a
13 partnership and have worked closely with
14 economically challenged communities, the Harlem
15 community in which I came up being one. I am a
16 second generation of contractors out of the Harlem
17 community. I started in the construction industry
18 at about the age of 18. One of the developers that
19 had exposed me to another side of the construction
20 business was Artemis Development, along with
21 working with L & M Equities and knowing guys such
22 as PRP and other developers that are in the room.
23 But the access and what I want to say, inroads into
24 the construction industry, those would be hindered
25 if we allow bill like this to be introduced into

1 areas; economically challenged communities I would
2 like to say. One of the things I wanted to shed
3 light on was what Mr. James Heyliger said, and I'm
4 glad he addressed the issue, that it's not just
5 about the safety of Latino workers, but those in
6 the black communities as well, alright, because
7 these are things that we've been striving for for I
8 want to say the past 20 years, alright, since my
9 exposure in the construction industry. We don't
10 need to lose... I want to say we don't need to lose
11 financial empowerment by allowing them to see
12 dollars continuing leave out of our communities by
13 the form of saying that you know what? Your
14 locally based enterprises; your minority
15 enterprises we don't meet the criteria and it's
16 used as a red tape to keep us out of that industry.
17 NYSFAFH is allowing us to take part. The training
18 programs, I think that they're something that could
19 be instituted if they're allowed to establish them
20 within the parameters of saying you know what?
21 This is something that we would take on. They
22 would set up a training course, and it could be
23 something that's instituted in the same manner that
24 they're doing it at York College, but it shouldn't
25

1 just be designated to one particular borough. It's
2 something that can take place in all five boroughs
3 and then you'd be able to expand on it. Outside of
4 that, I want to say that you know, this is just...
5 it's a sensitive matter; a sensitive issue that I
6 think that has come before the council and [chime]
7 we just need that opportunity to you know, have
8 those entities through NYSAFAH be instrumental in
9 pulling non-unionized workers up the ladder. I
10 just wanted to make one more statement because I
11 had an experience through the PLA, which is the
12 Project Labor Agreement, when Children's Zone was
13 being built in the Harlem community, and the
14 project labor manager stated that all they had to
15 do to meet the federal stipulation was say that
16 one-third of the work was supposed to be maintained
17 within the local community, was to buy 300 to 400
18 sandwiches from the local bodega. That is not
19 empowering your locally based enterprises. It's
20 not giving minority institutions a fair shot.

21
22 CHAIRPERSON KOSLOWITZ: Okay, thank
23 you.

24 GARY RODNEY: Good afternoon. My name
25 is Gary Rodney and I'm the Executive Vice President

1 for Development at Omni New York LLC. We're an
2 affordable housing developer that specializes in
3 the preservation of affordable housing in the city,
4 and I'd just like to thank the committee for
5 allowing me the opportunity to testify. The
6 affordable housing units produced by this industry
7 are the direct result of the collaborative effort
8 of developers, lenders, equity investors and the
9 work of the government agencies. I am here because
10 of the significant consequences that I believe
11 Intro 1169 will have on the affordable housing
12 industry. In particular, the cost implications of
13 the requirements will increase the amount of
14 financial assistance that will have to come from
15 the city agencies and significantly decrease the
16 amount of affordable housing units that as an
17 industry we are able to create or preserve. The
18 increased cost would be a direct result of all the
19 additional requirements that come through this
20 program for both construction and building service
21 employees for any project that receives \$1 million
22 or at least has, in the case of residential units,
23 at least 50 units. Additionally, the penalties
24 associated with 1169, such as having to repair for
25

1
2 25 percent of the financial assistance we receive,
3 will decrease the ability of us to obtain financing
4 from all the lenders or the investors, who are
5 going to be worried about the risks involved, and
6 these penalties will increase the risk that they
7 associate with our transactions and jeopardize our
8 ability to obtain the financing and continue the
9 positive work that we have done in this industry
10 throughout the city. And this positive work does
11 not only include providing families with safe,
12 stable and decent affordable housing and a place to
13 live, it's also an economic generator that creates
14 jobs and improves economically distressed areas.

15 CHAIRPERSON KOSLOWITZ: Thank you.

16 Next.

17 DR. PRYOR: Good afternoon. My name is
18 Doctor Devine Pryor. I'm a forensic psychologist
19 and also a policy analyst. I am the Executive
20 Director of the Center for New Leadership on Urban
21 Solutions, which is the world's only public policy
22 research advocacy and training center created,
23 developed and run by formally incarcerated
24 professionals representing every discipline from
25 law to medicine. That being said, I just wanted to

1 make a few statements. I don't have any written
2 notes. I actually have a copy of the bill, which I
3 looked through quite closely, and rather than talk
4 specifically about some of the things in the bill,
5 I would like to talk overall because I see there's
6 like a white elephant in the room that no one seems
7 to want to touch, so I guess that I may as well be
8 true to my reputation and touch that. The
9 construction industry has been a closed door for
10 many, many years. The fact that we have less than
11 three and a half percent of WMBE businesses
12 actually getting city contracts I think is
13 horrific. I think that this has been the same
14 percentage that we've been talking about for the
15 last 10 or 20 years, and we continue to keep having
16 the same conversation. I think the conversation
17 that we should be having is about any provisions
18 that are in the bill that would present any undue
19 or unnecessary barriers to minority and women-owned
20 businesses actually gaining city contracts is
21 something that should be looked at, and I think
22 that the City Council; I think it's incumbent upon
23 you not to try to push this bill through hurriedly,
24 but to take the time and do a proper analysis of
25

1 the bill so that we can understand what the
2 legislative, social and economic impact is going to
3 be if this bill were to go through. I think that
4 we all know, and no one wants to say it
5 specifically, but you know, there's a "good ole
6 boys club" in the construction industry.

7 Interestingly enough, I just went through a trauma
8 working with at least one or two minority-owned
9 businesses in Brooklyn who attempted to get
10 contracts with the Barclays Center and although
11 they received the contract, what they actually had
12 to endure to maintain the contract was unspeakable
13 and, in fact, to date, they no longer have the
14 contract because they were not able to keep pace
15 with all the unnecessary and insurmountable
16 barriers that were presented before them. And so
17 rather than... I could go line by line through the
18 bill. What I want to urge the City Council is
19 before you push this bill through, I would like the
20 City Council to really take a moment to look back
21 and see how can we really open up opportunity for
22 those minority businesses who have been attempting
23 to break through these doors for many, many years.
24 I think that it's unconscionable that we're still
25

1 here in 2013 and we were here in 2003 and we were
2 here in 1993 and we're still having the same
3 discussion about how minority and women-owned
4 businesses can gain access to city contracts, and I
5 think that this is really a shame and I mean I'm
6 appalled at the fact that we're still having this
7 conversation. And I just want to urge the City
8 Council before you push this bill through, that you
9 really take a moment and conduct a comprehensive
10 and exhaustive legislative impact analysis so that
11 we can see what both the economic, political and
12 social impact will be on our community. [chime]
13 Thank you so much.

14
15 CHAIRPERSON KOSLOWITZ: Next.

16 VINCENT RIZZO: Good morning. My name
17 is Vincent Rizzo. I am also the managing member of
18 the Briarwood Organization. We have successfully
19 completed over 3,500 affordable units in New York
20 City. Construction fatality data in New York City
21 does not indicate that imposing union or prevailing
22 wages on affordable housing construction would
23 result in fewer construction-related fatalities or
24 improve construction quality. These wages would
25 add 25 percent to the cost of a unit. Higher wages

1 that would result from imposing union or prevailing
2 wages on affordable housing would be less likely to
3 benefit Black and Latino construction workers, and
4 may well cost many of them their jobs. The union
5 or prevailing wage jobs are higher paying jobs, but
6 higher wage workers are disproportionately white.
7 An affordable housing project that costs \$250,000
8 per unit to build, a 25 percent increase in the
9 cost of that unit, would increase the cost by
10 \$62,500. To amortize the existing \$62,500 would
11 cost \$400 per unit if you were doing a rental. The
12 increase of \$400 per month in rent requires an
13 additional income of about \$16,000 per year per
14 family. Thus, a low-income family of four making
15 \$35,000 per year, who could've afforded an
16 apartment renting for \$875 a month, would now find
17 that the same apartment would cost \$1250 a month.
18 Subsidies are usually in the range of \$40,000 to
19 \$60,000 per unit. To cover the increased
20 construction cost of \$62,500 and keep the apartment
21 affordable to the same income group, subsidies of
22 \$62,000 per unit would be required. Assuming no
23 funds were made available, the number of units of
24 housing currently produced in non-prevailing wage
25

1 projects, which require these subsidies, would be
2 reduced by more than half. The imposition of a
3 union or prevailing wage requirement could
4 significantly curtail one of the most vibrant
5 sectors of New York's economy and one of the most
6 successful public-private partnerships in the last
7 two decades. If I may, I would like to indicate,
8 with the panel that I have over here, the effect...
9 the effect on affordable housing... okay, the
10 effect on affordable housing by union or prevailing
11 wages. This is a building built with prevailing
12 wage and this is one without. It's the same
13 building. If this building with prevailing wage
14 [chime] or union cost 25 percent more to build,
15 what happens is you can only build half the units;
16 that's option one or option... option two would be
17 to house families with a higher income and option
18 three is the government subsidy must double. No
19 matter how you cut it, it's a killer for affordable
20 housing. Thank you.

22 RANDY MARCUS: We, the people... we,
23 the working people of New York City union and non-
24 union. Sure. We, the working people of New York
25 City union and non-union, we're totally against

1 Intro 1169. What's the reason; the true reason why
2 I say that?

3 [crosstalk]

4 COUNCIL MEMBER WILLS: Sir, I'm sorry.

5 CHAIRPERSON KOSLOWITZ: Sir, say your
6 name.

7 COUNCIL MEMBER WILLS: Can you say...
8 can you start over and say your name?

9 RANDY MARCUS: My name is Randy Marcus.

10 COUNCIL MEMBER WILLS: Can you give him
11 the three minutes back on the clock? I'm sorry.

12 RANDY MARCUS: Sure. My name is Randy
13 Marcus and we, the working people of New York City
14 union and non-union, we're united against Intro
15 1169. First of all, I'm a minority contractor. I
16 couldn't even feed my family if I had to take two
17 years for a training program where most of my guys
18 is union... was union workers and now the unions
19 didn't hire them, so they're working with me. So
20 we're building buildings in New York City. We're
21 OSHA certified and most of us is... we got
22 trainings from Power At Last; different training
23 groups and we earned out skills on this planet and
24 we are good workers; the best I think. We are a
25

1 minority. We can't afford whole city contracts;
2 we're not granted that, so we take subs. I can't
3 take the time to say apprentice program that she
4 said that we've been standing on line for for years
5 that we never could get to because it was so long.
6 You don't know. You never stand on them lines with
7 300 or 400 people. One, you said all of them...
8 all of these union... I've been here doing
9 construction for years. The communities are
10 starving; everybody that get... who lives in the
11 community that I work in, and if we don't feed the
12 communities with these programs, there's no way we
13 can survive. No one could take a job who has a man
14 who's skilled and make them go back to school in an
15 apprentice program for two years. How're you going
16 to feed his family? You're not looking at this.
17 For the last two years, he's been working with me
18 and now he has to take an apprentice program; how's
19 he going to feed his family? He's already skilled
20 at it. He's a mason already. But this program,
21 you have to reconsider it 'cause this is crazy.
22 There's just is no way there we're can afford this.
23 No poor person here that's a minority contractor
24 can afford these programs and we have union and
25

1 non-union workers with us that left the unions and
2 working with us and skilled. I did eight complete
3 jobs for New York City housing. Just with this we
4 couldn't survive, okay, and nobody is poorer than
5 no minority contractors in New York City because
6 most of the time we take people that lives here.
7 I'm speaking for us, and I'm letting you know that
8 it really... this hurts me to my heart because if
9 y'all let this happen, then we don't have no jobs
10 and half of the New York City would be a chaos.
11 You don't know how bad this'll affect us, this
12 1169. It will and I just have to say that because
13 I'm saying this from my heart and we the... I'm
14 speaking for the people who works hard here in New
15 York City, the union and non-union. Thank you.

17 COUNCIL MEMBER WILLIS: Thank you very
18 much. I have a question and I think I want to
19 direct it to Dr. Pryor 'cause I'm most familiar
20 with your work.

21 DR. PRYOR: Certainly.

22 COUNCIL MEMBER WILLIS: A lot of the
23 people who are the most vulnerable who have gotten
24 work; those who have barriers to employment, you
25 have done a great deal of work with these segments.

1 What I'm asking today, and I asked this of another
2 panelist earlier, I know that Council Member Reyna
3 has a package of programs that are state approved
4 for training, but what I'm asking you is have you
5 done or do you have the intention to do a study to
6 show how much money is actually needed? I'm not
7 saying that this bill is going to be implemented.
8 I'm saying what if we held off? Would... how long
9 would it take or do you have a number that would
10 show what is needed to actually bring forth these
11 programs to the groups that need them the most so
12 that there won't be a two year delay in these
13 people working or a delay in actually establishing
14 the programs to the construction companies or
15 community-based organization or whoever may need it
16 the most?

18 DR. PRYOR: Well, yes, first let me say
19 that question is somewhat complex, but let me say
20 yes, we would more than... we'd be more than happy
21 to actually do the analysis to come up with the
22 numbers to give you both percentage wise and
23 absolute numbers of individuals that would be
24 eligible to go through those programs. That's the
25 first thing we would need. Second, we'd need to

1 match them up with existing programs and then look
2 at the eligibility criteria for those individuals
3 to get into the program. Then third, we would have
4 to look at what the cost would be. I can't give
5 you an estimate of time, but I can tell you that if
6 you gave us about 60 days, we could come up with a
7 pretty strong proposal that would analyze and
8 assess and outline what it would actually take to
9 get the number of individuals in New York City who
10 are eligible to go into these programs into them.
11 That's the best answer I can give you, but what I
12 will say is this: We know employment... if we want
13 to really increase public safety and we really want
14 to reduce recidivism, employment is the way to do
15 it. Any proposal that you have that impacts the
16 possibility for individuals to be employed can pose
17 a direct threat to public safety. If we want the
18 public to be safe we want to get as many folks
19 working as possible, and the only way to do that is
20 we have to open up opportunity and we have to
21 really look at all the possible ways that we can
22 get individuals into the workforce, and I think it
23 would be incumbent upon the City Council to take
24 the time to look at this and certainly, our center
25

1 would be more than happy to lend our expertise in
2 that process.

3 COUNCIL MEMBER WILLIS: Thank you very
4 much, Dr. Pryor. Sir, can you please repeat your
5 name?
6

7 RANDY MARCUS: Randy Marcus.

8 COUNCIL MEMBER WILLIS: Mr. Marcus, I
9 just wanted to make sure that it was very clear
10 that the passion that you've spoke about... spoke
11 with in your testimony was not directed towards one
12 person, but the entirety of what we are doing
13 today. I don't want anybody to think... 'cause you
14 know, people like to... I don't want anybody to
15 think that passion was directed towards Council
16 Member Reyna.

17 RANDY MARCUS: Okay.

18 COUNCIL MEMBER WILLIS: I just want to
19 make sure because I have actually stood on those on
20 those lines that you're talking about and I know
21 what it is not to get a job. I have friends and
22 family that know how long it takes or who have been
23 working for certain institutions and be hired and
24 then be the first one to be laid off and be laid
25 off for a long time after others are being hired.

1 So we understand that. I just wanted to make sure
2 that was not the cases here. She is one of the
3 most thoughtful and compassionate council members
4 we have in the City Council.
5

6 RANDY MARCUS: No, it wasn't directed
7 toward her.

8 COUNCIL MEMBER WILLS: Thank you very
9 much, sir.

10 COUNCIL MEMBER REYNA: Why, thank you
11 for those comments, Council Member Wills. I just
12 wanted to make sure... he was just trying to make
13 sure that I'm not... I'm going to be calm about...

14 RANDY MARCUS: [interposing] Okay.

15 COUNCIL MEMBER REYNA: What I'm going
16 to ask. MWBE contracting; each one of you are MWBE
17 certified?

18 JOSHUA BROWN: Brownstone Construction
19 Corp, we work under the umbrella of DNR and DNR is
20 a certified WMBE.

21 COUNCIL MEMBER REYNA: Okay, thank you.

22 JOSHUA BROWN: Well, however, I would
23 like to just state this.

24 COUNCIL MEMBER REYNA: I just want a
25 yes or no answer...

2 [crosstalk]

3 JOSHUA BROWN: Yes, we are.

4 [crosstalk]

5 COUNCIL MEMBER REYNA: Right now.

6 JOSHUA BROWN: Yes, we are.

7 GARY RODNEY: My company is not
8 certified MWBE.

9 COUNCIL MEMBER REYNA: Okay.

10 DR. PRYOR: Oh, I'm not a contractor.
11 We're a research and policy center.

12 RANDY MARCUS: No, I wasn't, but I was
13 trained by the Lower Economic Development...

14 [crosstalk]

15 COUNCIL MEMBER REYNA: Are you...
16 you're not, Mr. Marcus?

17 RANDY MARCUS: No.

18 COUNCIL MEMBER REYNA: You are not an
19 MWBE.

20 RANDY MARCUS: No, I'm not.

21 COUNCIL MEMBER REYNA: Okay, the next
22 question is for the two panelists who are not. Why
23 not?

24 GARY RODNEY: This has to do directly
25 with the principals that own the company that I

2 work for. I'm an officer, but I'm not one of the
3 owners.

4 COUNCIL MEMBER REYNA: Okay.

5 VINCENT RIZZO: I am the owner of the
6 company. It's established 101 years. I'm not the
7 founder, but we are not an MWBE because we are all
8 men and we happen to be Caucasian.

9 COUNCIL MEMBER REYNA: Okay, Mr.
10 Marcus?

11 RANDY MARCUS: Well, I'm a minority
12 guy, but like I said I was trained by the Lower
13 Economic...

14 [crosstalk]

15 COUNCIL MEMBER REYNA: But you're not
16 certified.

17 [crosstalk]

18 RANDY MARCUS: I'm just...

19 [crosstalk]

20 CONCIL MEMBER REYNA: Can I just ask
21 you why not?

22 RANDY MARCUS: No, I'm certified by the
23 state of New York by the Lower Economic Program.

24 COUNCIL MEMBER REYNA: In the city
25 of...

2 RANDY MARCUS: That's who certified...

3 [crosstalk]

4 COUNCIL MEMBER REYNA: New York.

5 [crosstalk]

6 RANDY MARCUS: Yes, that's who
7 certified me.

8 COUNCIL MEMBER REYNA: Now...

9 RANDY MARCUS: But that's...

10 [crosstalk]

11 COUNCIL MEMBER REYNA: Mr. Marcus.

12 RANDY MARCUS: Mm-hm.

13 COUNCIL MEMBER REYNA: Are you a
14 certified MWBE in the city of New York?

15 RANDY MARCUS: Yes, I am, in New York,
16 yes. Yes, I am. I was certified by the Lower
17 Economic Program, but I took courses at Baruch
18 College for my certification.

19 COUNCIL MEMBERWILLS: So Mr. Marcus, we
20 understand what you were saying and this is not
21 about your credentials. This is more about maybe
22 identifying the obstacles for actually being
23 certified in the MWBE certification programs that
24 are in the state and the city.

25 RANDY MARCUS: Okay.

2 COUNCIL MEMBER WILLIS: Port Authority,
3 MTA and different things like that. That's I think
4 the gist of what she's asking. So you are not...
5 you have credentials, but you're not certified in
6 MWBE by the state or the city of New York. That's
7 the question.

8 RANDY MARCUS: Yes, but I have... I am
9 certified, but like I said, I took certification
10 from Baruck College years ago. It's been a long
11 time, since 1994.

12 COUNCIL MEMBER REYNA: Okay so the
13 answer is no.

14 COUNCIL MEMBER WILLIS: But, okay, thank
15 you.

16 COUNCIL MEMBER REYNA: Thank you, and
17 as far as the MWBE contractor...

18 RANDY MARCUS: [interposing] Mm-hm.

19 COUNCIL MEMBER REYNA: Have you
20 received contracting opportunities under our MWBE
21 certification process in the city of New York as a
22 prime contractor?

23 JOSHUA BROWN: No, mm-mm.

24 COUNCIL MEMBER REYNA: Again, there's a
25 lot of red tape that comes in when you're a locally

1 based as well as WMBE within underprivileged
2 communities and that red tape being that you get a
3 lot of these unionized jobs, as I explained before
4 through PLA agreements, who find a way to maneuver
5 you to the side via you have to... now they want
6 you to have bonding. As a sub bidding on a job
7 there's no need for you to have the bonding.
8 Usually...

9
10 COUNCIL MEMBER REYNA: [interposing]

11 But I'm referring to you...

12 [crosstalk]

13 JOSHUA BROWN: Yeah.

14 [crosstalk]

15 COUNCIL MEMBER REYNA: As a prime
16 contract.

17 JOSHUA BROWN: No, we have not been
18 given the opportunity.

19 [crosstalk]

20 COUNCIL MEMBER REYNA: You have not
21 received...

22 JOSHUA BROWN: [interposing] No.

23 COUNCIL MEMBER REYNA: Prime and...

24 JOSHUA BROWN: [interposing] The only
25 areas I would say would be through ununionized

1 developers like Artimus and a couple of the other
2 developers that I've mentioned, we've been given
3 opportunities.
4

5 COUNCIL MEMBER REYNA: And so through
6 what would be the wages you pay, you're not
7 getting...

8 JOSHUA BROWN: [interposing] We...

9 COUNCIL MEMBER REYNA: Prime
10 contracting?

11 JOSHUA BROWN: No, we hire
12 predominantly from the communities that we work in,
13 whether we are working in the Harlem community,
14 Brooklyn, Bronx, we predominately hire from within
15 that community. Some of our own workers... we take
16 a workforce with us, but we make sure that we take
17 on a large portion of our workforce from those
18 areas that we work in. But yeah, that's about it,
19 and we do those based on our own ethics when it
20 comes to how we should work when we go into other
21 areas.

22 COUNCIL MEMBER REYNA: Okay. Yes, sir.

23 VINCENT RIZZO: The question about
24 the... we, as an organization hire a number of
25 minority and women-owned contractors annually. The

1
2 reason that minority and women-owned contractors do
3 not usually get prime contracts is because they're
4 not as well funded as other prime contractors. You
5 have to show net worths of a few million dollars in
6 order to get a bond. If you can't get a bond you
7 can't... you can't work for a company that's
8 getting financing.

9 COUNCIL MEMBER REYNA: Sure. I
10 understand all of that and we've worked with the
11 city of New York, as this council is concerned, to
12 deal with a lot of those issues; creating programs,
13 working with EDC, like Blueprint to Success and
14 Compete to Win. I don't know if any of you have
15 heard of that, but I suggest that you make it your
16 business to get to know those programs and enroll
17 as soon as possible, but I wanted to understand the
18 landscape as to some of the hindrance because I
19 think more than not it's the lack of knowledge as
20 to what is out there that can facilitate what would
21 be opportunity. I wanted to ask the gentleman; I
22 apologize, that just spoke, your name?

23 VINCENT RIZZO: Vincent Rizzo.
24
25

2 COUNCIL MEMBER REYNA: Mr. Rizzo, are
3 you aware that there's a recent rezoning in Long
4 Island City called Hunters Point South?

5 VINCENT RIZZO: Yes, I am.

6 COUNCIL MEMBER REYNA: That is the
7 largest affordable housing development in decades
8 currently built by contractors that use state
9 approved apprenticeship programs.

10 VINCENT RIZZO: It hasn't started yet.

11 COUNCIL MEMBER REYNA: But it's going
12 to include what would be a state approved
13 apprenticeship program.

14 VINCENT RIZZO: I am unaware of that,
15 but you know, when it happens we'll see.

16 COUNCIL MEMBER REYNA: We'll see as in
17 which scenario you indicated will it fall under?

18 VINCENT RIZZO: Yes.

19 COUNCIL MEMBER REYNA: As to the
20 affordable housing.

21 VINCENT RIZZO: Yes.

22 COUNCIL MEMBER REYNA: And so you
23 predict...

24 VINCENT RIZZO: [interposing] That's
25 both affordable and market rate housing.

1
2 COUNCIL MEMBER REYNA: Well, I want to
3 share with you the market rate in my neighborhood,
4 what was once available 12 years ago or prior to
5 2005 rezonings, were \$800 for a two-bedroom market
6 rate. Today you can afford a one-bedroom for
7 \$2,000, and that's six years later.

8 VINCENT RIZZO: In that particular
9 area, market rate condominiums would be going for
10 \$600,000 to \$800,000 when they're built.

11 COUNCIL MEMBER REYNA: On the contrary,
12 they're going for \$2 million, so therefore, the
13 market has shifted and left behind everyone. And
14 so, I just wanted to understand exactly what we
15 were referring to in relationship to a lot of what
16 has been discussed and has been raised and to the
17 research analyst, I apologize, I didn't get your
18 name. I walked in...

19 DR. PRYOR: Dr. Devine Pryor.

20 COUNCIL MEMBER REYNA: Dr. Devine?

21 DR. PRYOR: Pryor.

22 COUNCIL MEMBER REYNA: Pryor. Dr.
23 Pryor, do you do any analysis regarding all of the
24 rezonings that have taken place in the city of New
25 York?

2 DR. PRYOR: Well, interestingly enough,
3 due to the gentrification, which has taken place
4 citywide, we've just become very interested in
5 that.

6 COUNCIL MEMBER REYNA: I suggest you
7 do.

8 DR. PRYOR: Yes, and I appreciate your
9 suggestion and I will follow up on it, of course.

10 COUNCIL MEMBER REYNA: Thank you.

11 DR. PRYOR: Council Member Reyes...

12 COUNCIL MEMBER REYNA: Reyna.

13 DR. PRYOR: Reyna, the... what I just
14 wanted to... if you don't mind... Dr. Pryor.

15 CHAIRPERSON KOSLOWITZ: We're really
16 going to speed this up. We have almost 50 people
17 that have to testify.

18 DR. PRYOR: I would ask for the
19 councilwoman's card and I can...

20 COUNCIL MEMBER REYNA: [interposing]
21 Absolutely.

22 DR. PRYOR: Contact. Thank you.

23 CHAIRPERSON KOSLOWITZ: Maria Espinal;
24 Carol Raftery; Juan Hoy; Joe Carter and Joel
25 Shefro.

[Pause]

CHAIRPERSON KOSLOWITZ: Please state your name and I'm really going to have to limit you to the three minutes.

MARIA ESPINAL: Good morning. My name is Maria Espinal. I am a Millwright member of Local Union 740. I urge you to pass this legislation because safety on the job is important. I attended and graduated from a four-year apprenticeship program at the Labor Technical College of New York City District Council of Carpenters. As part of my apprenticeship, and it was a paid apprenticeship program; on-the-job training as well as classes in school. As part of my apprenticeship, I have obtained numerous skills and safety certifications and have acquired others by attending safety and skills training, such as OSHA 10, fire guard, torch operator, suspended scaffold user. I also have New York City Department of Buildings issued welders license among others. 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'm putting my

1
2 life, the life of my coworkers and the lives of the
3 public at risk. When I am performing a welding
4 task on a scaffold 200 feet in the air, it is
5 important that I have taken all the safety
6 precautions, such as wearing a body harness that is
7 properly tied off, and it is also important that I
8 have protected others from exposure to fumes and
9 sparks. I rely on my coworkers to be properly
10 trained as well. I need to trust that the scaffold
11 is safe before I even get on it. Accidents will
12 happen, but the training I and my coworkers have
13 received gives us a chance to reduce the likelihood
14 of bad events occurring. I hope you pass this
15 important legislation that will help in saving
16 lives. This legislation will help ensure that all
17 workers get the safety training they need to
18 protect themselves, their coworkers and the public.
19 Thank you.

20 CAROL RAFTERY: Good afternoon. Thank
21 you, council members, for hearing us today. My
22 name is Carol Raftery. I've been an ironworker for
23 21 years. I attended my Union Steel Well approved
24 training and apprenticeship program and I am now an
25 instructor in this program. I teach the first year

1 apprentices of a three-year program. The one thing
2 I stress the most is the importance of work safety.
3 When I first started working, I saw an accident
4 that still haunts me to this day. I saw a panel
5 that may have weighed as much as two tons being
6 hoisted on a job near the one I was working on. It
7 broke free; fell to the ground crushing a delivery
8 truck completely. I had just watched the driver
9 get out of the truck when the panel hit.
10 Fortunately, he escaped with no harm. It really
11 made me understand all the training we receive is
12 not only about protecting ourselves as workers, but
13 also protecting the public. The training I
14 received helped me realize that I am not invincible
15 and that we have to be prepared for things to go
16 wrong at any time. Sometimes when we are young, we
17 feel invincible. The training also stresses how
18 important it is [chime] to work as a team and to
19 point out potential safety hazards and dangers on
20 the job. Sometimes when working, workers don't
21 have the training they need. The employer is
22 pushing to get the job done. The employer will
23 push the worker to work in unsafe conditions,
24 risking the worker and the public safety. This
25

1
2 legislation will help ensure that all workers get
3 the safety training they need to protect themselves
4 and their coworkers and the public. Thank you for
5 the opportunity to testify today.

6 JUAN HOY: Good morning. My name is
7 Juan Hoy. I'm an elevator constructor, and had it
8 not been for proper apprentice training, I may not
9 be here today to testify before you. In June of
10 2010, I was working in One World Trade Center when
11 I fell from the 54th floor. I was fortunate. As
12 part of my apprenticeship training I learned how to
13 properly use my safety harness and how and always
14 to hook up. Due to the fact that I worked for
15 responsible employer, I had been issued this
16 equipment. Many workers are not so fortunate. As
17 I dangled in the open hoistway I was dazed and
18 stunned from the fall. My awareness of the
19 potential hazard and the training that I had
20 received prevented that from being a fatal fall.
21 As my coworkers pulled me out of the hoistway to
22 safety, I was grateful that I would be able to go
23 home to my family that night. I would not be a
24 newspaper article nor a fatal statistic. I had
25 been trained. On October 24th, an article in the

1
2 New York Daily News highlighting a report that only
3 41 percent of all construction workers in New York
4 City identify themselves as Latino. 74 percent of
5 construction fatality victims are Latino. The
6 article goes on to say that contractors are not
7 taking the simple steps to protect their workers.
8 When public dollars are in play, we must assure a
9 level playing field for the safety of our workers.
10 My life was saved by my training and equipment.
11 Employees exposed to the same conditions and
12 hazards should all receive the same training. I
13 urge you to pass the Act for Safe Jobs. I have
14 been an elevator constructor for 13 years and I
15 have never been out of work. My training has led
16 to my and my coworkers' safety and the elevator
17 riding public. Thank you.

18 CHAIRPERSON KOSLOWITZ: Thank you and
19 we're happy that you're here to testify.

20 JOEL SHUFRO: My name is Joel Shufro.
21 I am the Executive Director of the New York
22 Committee for Occupational Safety and Health, a
23 coalition of 175 local unions and more than 300
24 health and safety professionals, concerned citizens
25 and rank and file workers dedicated to every

1 worker's right to a safe and healthful workplace.
2 We are here to express our strong support for Intro
3 1169, the Safe Jobs Act. This bill will benefit
4 workers in the construction, hotel, service
5 industry and will deal with conditions in which
6 each of those industries pose significant safety
7 and health hazards. I'm not going to read my
8 entire testimony, but I am going to focus on the
9 construction side of the issues. Construction is a
10 dangerous industry. In the last year, we have seen
11 a dramatic and tragic upturn in the number of
12 fatalities in New York City from six to 21. In
13 past years, for which we have data, over 67 percent
14 of inspections conducted by the Occupational Safety
15 and Health Administration of construction sites in
16 New York State resulted in serious violations; that
17 is a violation in which there is a substantial
18 probability that death or serious physical harm
19 could result and the employer knew or should have
20 known of the hazard. Violations rates were high
21 nationwide... statewide, but they were highest in
22 New York City. Serious violations were found in 93
23 percent of inspections in Queens, 89 percent of
24 inspections in Staten Island, 76 percent in the
25

1 Bronx, 74 in Brooklyn and 72 in Manhattan.

2 Inspections of general contractors in commercial
3 buildings, religious buildings and institutional
4 buildings such as schools and hospital violations

5 were significantly likely to be found in Queens,
6 Brooklyn and Manhattan than upstate. Similarly,
7 inspections of residential general contractors of

8 other than single-family homes were more likely to
9 violate OSHA safety standards in New York City than
10 they were in the rest of the state. Violations of

11 OSHA were less frequent among large general
12 contractors than among smaller ones. There are
13 numerous reasons why this is the case. Larger

14 contractors are more likely than smaller
15 contractors to implement effective safety
16 management programs and employ safety coordinators

17 that rigorously monitor work sites and ensure
18 violations are corrected. Workers for larger
19 contractors are generally unionized and have had

20 extensive safety training through accredited
21 apprenticeship programs, know their rights under
22 the OSHA law and are less intimidated about

23 exercising them. According to OSHA records, 75
24 [chime] percent of all workplace fatalities in New

25

1
2 York City happened on construction sites and 72
3 percent where employers did not participate in
4 approved apprenticeship programs. May I just say
5 one thing very quickly? Training is important and
6 we know that the most... the second most frequently
7 violated OSHA standard is the failure to provide
8 right to know training and hazard communication
9 training, which means that most employers in the
10 city and state and country do not provide training
11 to their workers, and this is generally the case
12 more with smaller employers than it is with larger
13 employers and it is a tremendous problem on
14 construction sites as on the rest of industry
15 because OSHA is not present. We have enough OSHA
16 inspectors to conduct an inspection...

17 CHAIRPERSON KOSLOWITZ: [interposing]

18 Alright, can you please...

19 JOEL SHUFRO: 'Kay, we...

20 [crosstalk]

21 CHAIRPERSON KOSLOWITZ: We really have
22 to move along.

23 JOEL SHUFRO: Oh, okay, let me just
24 finish the sentence that says we can inspect one
25 construction site in the Metropolitan area a day by

1 OSHA; one every establishment in New York state
2 once every 103 years.

3 CHAIRPERSON KOSLOWITZ: Okay, next.

4 JOE CARTER: Hello, my name is Joe
5 Carter. I currently work at 111 8th Avenue as a
6 security officer. I take my job serious. The
7 people there expect me to protect them and my
8 family, as the breadwinner, expect me to be there
9 for them as well. Being a security officer for
10 nine years and a construction worker before that, I
11 feel qualified to tell you that ongoing training is
12 crucial to performing my duties and protecting
13 employees, as well as the public in general. Hard
14 working New Yorkers deserve to know that when they
15 go to work they have someone who's been there and
16 trained to do the job safely. With 75 percent of
17 the workplace fatalities in New York City happening
18 on construction sites, it's a reasonable
19 requirement that developers and contractors
20 receiving public subsidies make an investment
21 increasing safety standards by offering no cost
22 professional development and job training necessary
23 to ensure their workers and the people we protect
24 are safe. I am here today to testify in favor of
25

1 the Safe Jobs Act, 1169, which, if made law, will
2 make worker safety a priority. This bill requires
3 that only New York State recognized and approve the
4 apprenticeship programs are used for training. A
5 safe work site means a safer New York, not just for
6 workers, but for everyone. Thank you.

8 CHAIRPERSON KOSLOWITZ: We have people
9 that are here from the same place and I'm going to
10 have to ask you to please pick one person to
11 testify because I'm sure you're all going to say
12 the same thing basically, and for time's sake if
13 you could do that I would really appreciate that.
14 We have Rainie Flowers from People for Political
15 and Economic Empowerment. We have Alexander Riley
16 [phonetic] from PPEE; Martin Allen from PPEE;
17 Shamander Clayton [phonetic] from PPEE; Edwin Smith
18 from PPEE and Timothy Jones from PPEE. So if you
19 can please just pick one person to speak from each
20 group, and then we have three people from Queens
21 Bronx Building Association; Lawrence Rosano, Robert
22 Altman and Lawrence twice so... who's going to
23 talk? And from BFC we have Brad Richards and Cesar
24 Guzman [phonetic] from BFC. Alright and then we

1
2 have BRP, Francis Velez, Larry Ingram and Paul
3 Johnson.

4 MARTIN ALLEN: We'll take turns at the
5 mic real quick.

6 CHAIRPERSON KOSLOWITZ: Begin, please.
7 Good afternoon. My name is Martin
8 Allen.

9 CHAIRPERSON KOSLOWITZ: [interposing]
10 There's supposed to be six people? We're...

11 MARTIN ALLEN: You called all their
12 names.

13 [Pause]

14 CHAIRPERSON KOSLOWITZ: Sir, where are
15 you from? Who? Begin. Hm? What?

16 ROBERT ALTMAN: I'm with Queens and
17 Bronx Builders. Should we be physically here up
18 here on this panel or not? I just don't know.

19 CHAIRPERSON KOSLOWITZ: Yes.

20 ROBERT ALTMAN: Okay, thank you.

21 MARTIN ALLEN: I represent People for
22 Political and Economic Empowerment. I'm in
23 disagreement with 1169 wholeheartedly because it's
24 not going to help people within my community to get
25 jobs. I'm a contractor. I got out of jail. I'm

1 also a union worker, Local 79. The union has never
2 gotten me a job, never. I found my own jobs walking
3 the pavement in the street, like 90 percent of the
4 people that come from neighborhood do because the
5 unions set up roadblocks at the union site telling
6 contractors that if they don't come from the hall
7 don't put them to work. If there's a brotherhood
8 however you get the job... my job is to put union
9 workers to work and non-union workers to work,
10 people from the community to work and that's not
11 been happening. Everybody's not telling the truth
12 when they get up here. They're not telling you
13 that if you get into a local... I helped people get
14 inside the union hall that got union books, but
15 when you lay a person off after working three days
16 and he can't pay his dues three months later and
17 you suspend his book, where's the brotherhood in
18 that? Where's the brotherhood to put a fine on top
19 of a fine until you take his book? We're already
20 getting double and triple dissed at the job. You
21 look at these big jobs that go on in New York City.
22 What you see on them jobs is Caucasians. They're
23 not from here. They're from Jersey, Connecticut
24 and anywhere else you want to think about outside
25

1 of the city. We're not on them jobs for that long
2 period of time. We go on a job for two, three, six
3 months at the most. You got exceptions in
4 everything, but I'm telling you that I work with
5 the people inside the community. I put people to
6 work myself. I deal with a lot of non-union
7 companies and I deal with union companies, but all
8 I'm trying to say I would love everybody to be
9 union. I would love everybody to have a job, but
10 the union got 10,000 people out of work. 79 got
11 people out of work, 731 got people out of work, so
12 why come into a community that's already starving
13 and below the poverty level and tell them put them
14 in the union? Where are they going to work at? If
15 you got 10,000 people already out of work in each
16 of these unions going across the board, where's the
17 people that you're talking about that you want to
18 give prevailing wage to? A job is a job.
19 Something's better than nothing. I'm trying to
20 take people and stopping them from going back to
21 the penitentiary; stopping them from selling
22 narcotics on the corner; stopping them from killing
23 each other over nothing in the street. This is
24 what it's supposed to be about, but it's not
25

1 been... this is not what it's about. It's about
2 people setting up guidelines and rules and
3 regulations so [chime] so that their buddies can
4 get it all. They're forcing us out of the city as
5 it is. You're talking about housing? Affordable?
6 What's affordable when the average three-bedroom
7 apartment in Brooklyn costs \$2,300?

9 CHAIRPERSON KOSLOWITZ: Sir, the clock
10 went off.

11 MARTIN ALLEN: I'm just telling you is
12 that we do OSHA training. You talk about training?
13 I train people. I hooked up with Homeland Safety.
14 I trained over 6,000 people in this town since I
15 got out of prison.

16 LEGAL COUNSEL: Sir, we have another
17 hearing. We have to move to the next person.
18 Next.

19 CHAIRPERSON KOSLOWITZ: The people
20 are...

21 [crosstalk]

22 LEGAL COUNSEL: Next.

23 [crosstalk]

24 CHAIRPERSON KOSLOWITZ: Already
25 coming...

2 [crosstalk]

3 LEGAL COUNSEL: We are hearing you, but
4 you see the other people coming in the room.

5 CHAIRPERSON KOSLOWITZ: Right.

6 LEGAL COUNSEL: Next person. Hm? No.

7 CHAIRPERSON KOSLOWITZ: No. Alright,
8 continue please.

9 BRAD RICHARDS: My name is Brad
10 Richards. I work for BFC Partners and I am in
11 opposition of 1169, not only because of the
12 possibility of the expense of the affordable
13 housing eliminating our ability to bid on that work
14 and get the funding and the financing, but also the
15 impact of the smaller contractors that we deal with
16 that cannot afford to send their people to training
17 for two years. It would put them out of business.
18 Small four and five employee contractors that do
19 the framing, sheet rocking, taping, they're not
20 capable of financing non-existent work for two
21 years while their people get trained in trades that
22 they've spent their life working for. My father
23 owns a drywall company. He's been in business for
24 15 years. He would never be able to send his
25 employees away for two years to get trained and not

1 be able to provide for his family. In addition,
2 there's already substantial safety regulations in
3 New York City on every job. I don't know why
4 people aren't bringing up the fact that every job
5 in New York City is required to have some sort of
6 safety management depending on the size. That
7 includes weekly job box meetings where they
8 instruct the employees on proper safety procedures.
9 Minimum, as L & M had stated, minimum 10-hour
10 safety OSHA requirements for anybody that steps on
11 the job and then increasing depending on their
12 responsibility. I, myself, have my four-hour OSHA
13 scaffolding, my 10-hour OSHA safety, a 30-hours
14 OSHA safety. On top of that, I am a New York City
15 Building Department certified superintendent; all
16 requirements to do the job that I'm required to do,
17 and any developer or contractor working in New York
18 City have to follow the same requirements, so I
19 don't understand the additional onerous
20 responsibilities that are being pushed forward,
21 especially if they're not going to be additionally
22 subsidized, especially for the smaller contractors.

24 [Pause]

1
2 TIMOTHY JONES: Good afternoon, Madam
3 Chair, members. My name is Timothy Jones. I'm a
4 79 union member. I've worked on... 79 is just one
5 local. I've worked in 6AA, 731, but I'm here to
6 represent PPEE, People for Political and Economic
7 Empowerment. When I first got in the union, I came
8 through the coalition and at that time it was like
9 really hard for us to get into the unions, but the
10 coalitions made way for us. I am opposed to 1169
11 Intro for the simple fact that accidents occur on
12 these construction jobs. That's inevitable, but we
13 get... your proposal is trying to limit I guess the
14 accidents that's occurring on these jobs and it's
15 very important. I've seen a lot of people get hurt
16 and it's not a pretty sight, but I'm talking about
17 now. I'm talking about people and their families,
18 the communities that we strive... like when I'm not
19 working... I haven't had a job... the union hasn't
20 given me a job where it lasted over 60 days. I've
21 seen people work jobs for three to five years and
22 after those jobs are over, they continue to get
23 another three to five years. I guess it's who you
24 know in the union and it's not the certifications
25 what you have 'cause a lot of us are qualified to

1 do these jobs, but do they call us? No, ma'am. My
2 concern is about these communities, our families
3 and these children. I think these children are
4 suffering because sometimes families can't provide
5 for them. They can't get out there and get the
6 jobs and it is really bad, so what we do in PPEE is
7 we go out in the communities for people that are
8 not working and we go out and we get them jobs.
9 All of them are not great paying jobs. Some of
10 them are \$10 or better, but it's a job. Once a
11 person gets a day's pay they feel like somebody.
12 They feel like they can take care of their families
13 and that's what we're out here to provide. We try
14 to take care of our families and try to give these
15 people in the community some chance at a job
16 because of them do have records. They can't
17 actually fill out a resume and take it to the
18 employers and... 'cause they look at them with a
19 black eye, you know, and it's not always you know,
20 what they want, but you know. So we try to provide
21 that opportunity for them. I know I don't have
22 much time here to speak. We brought a lot of
23 people at the last minute. We went in the
24 communities and had busloads to come out here so we
25

1 can speak and be heard 'cause this is the only
2 forum that we really have right now, and that's all
3 I really have to say 'cause I know this time is
4 limited, but I thank you for having us [chime]
5 today.
6

7 ROBERT ALTMAN: Good afternoon. My
8 name is Robert Altman. I am a consultant with the
9 Queens and Bronx Building Association and I am also
10 representing a number of manufacturers in the city
11 of New York. I have testimony that's available
12 here. I will not repeat what's in my testimony
13 and I'll leave it for you to read it. I just
14 wanted to basically discuss a couple of things that
15 were discussed today and deal with those. First of
16 all, I just want to deal with the technical aspect
17 of the bill, which seeks to cover businesses...
18 projects that may do more than \$1 million in city
19 benefits. You should realize that under two of the
20 programs that are captured in this, which it seems
21 that the as-of-right programs are, ICAP and 421-a,
22 the benefit is actually not calculated 'til after
23 the construction is done. So I don't know how you
24 can in fact determine what the benefit is going...
25 if it's going to be over \$1 million until after the

1 construction is done. It doesn't work
2 logistically. Second, EDC and ICAP both have MWBE
3 programs. ICAP has a program that was passed with
4 much fanfare by the City Council a few years back.
5 This bill will eviscerate that program. EDC also
6 has not only MWBE goals, but actually MWBE
7 requirements, if you really want to know how they
8 enforce it, and that program will be eviscerated as
9 well. You've heard discussions today about
10 businesses that would like to do DOL program. I
11 will tell you that one of the larger Queens and
12 Bronx builder members actually tried to in fact get
13 certified by state DOL; spent two years; spent a
14 lot of money. He was a very sophisticated builder,
15 does jobs that often are for unions and got
16 rejected by the state and the state did not give an
17 answer in writing as to why they were rejected. So
18 you may hear people say here today that they want
19 to go through that process, but there's no
20 guarantee at the end of the rainbow you'll get the
21 pot of gold. Finally, you have a piece of
22 legislation to address a problem. For the city
23 projects we have not heard that there's an issue of
24 fatalities or a number of problems such as that. I
25

1 know that you wanted to get that from the
2 administration today. I would suggest that's not
3 necessarily that difficult to find out as long as
4 you know each site of where a fatality took place.
5 After that, you can pretty much go onto the
6 Department of Finance's website and often for these
7 tax break programs it will tell you what program
8 they're in. So if that was... if somebody wanted
9 to do that, they could find out. The fact that it
10 was not discussed here today by any of the
11 proponents for the bill make me believe [chime]
12 that it's not a problem on these projects.

14 RAINIE FLOWERS: Good afternoon, ladies
15 and gentlemen. My name is Rainie Flowers and I
16 work for People for Political and Economic
17 Empowerment. We are the working people of the city
18 of New York united against Intro 1169 because it
19 sets barriers that make it hard for us to feed our
20 families and to keep our place in the workforce. I
21 urge you to vote no on Intro 1169 because it
22 doesn't take in account the people who aren't
23 spoken about; the immigrant worker, the formally
24 incarcerated that are now trying to re-enter the
25 workforce as a new person; minority businesses that

1 are not-for profits. Any business that needs
2 financial assistance now cannot... unless they
3 spend money on training programs they can't afford.
4 These are organizations and businesses already in
5 constraints; some seeking to do good like rebuild
6 after Sandy, creating cultural centers for
7 children, Brownfield credits for environmental
8 remediation to cut energy costs for cultural
9 institutions. This bill needs more time to be
10 looked over before it is stuffed down the throats
11 of working people and good business owners of this
12 city. PPEE is a community based organization that
13 trains and employs people in the community. We've
14 trained several thousand people in the last few
15 years and we receive no federal funding; city
16 funding; state funding. It's all done out-of-
17 pocket by the people that's members of the
18 organization. We don't ask nothing from the city
19 or the government to provide for our own people in
20 our own communities. We do it ourselves. No one
21 has ever reached out to us and said, "Let me lend a
22 hand to help you do what you do," and we don't ask.
23 All we ask is let us do what we do. Don't handcuff
24 us. We train people all the time. We have OSHA
25

1 classes at least twice, three times a month. We
2 have four-hour scaffolding. We have flagging. We
3 have all kinds; 30-hour hazmat, but we do all kind
4 of confined space; all kind of training to help
5 employ the people in those communities, and this
6 bill will stop that.
7

8 ALEXANDER RILEY: Yes, hello, my name
9 is Alexander Riley. I would first like to begin
10 with stating that I am a union member, as well as a
11 non-union company that I do have. We are the
12 working people of New York City, union and non-
13 union, and are united against Intro 1169 because it
14 sets barriers that make it hard for us to feed our
15 families as to keep our place in the workforce.
16 Intro 1169 makes it harder for small contractors,
17 MBEs and WBEs to continue to develop in New York
18 City. MWBEs are vital to many non-union and union
19 workers looking for work. Many of these minority-
20 owned businesses would be forced out of billions of
21 dollars and Hurricane Sandy rebuilding funds that
22 will come in the future. I urge the City Council
23 to not hurt disadvantaged people of the city.
24 Myself, I have been a union worker since... from
25 the Ironworkers Union since 2008 and since then I

1
2 have only worked approximately six months being
3 called from the Union Hall to work on certain jobs
4 that don't last more than a month or a month and a
5 half. What I was told was that there is a list
6 that's given out from these unions where I have to
7 apply my name to the union list and I will be
8 called. My name will be 100 on the list and end up
9 500 the next time I will appear at the Union Halls.
10 A lot of the disadvantages from the union is
11 basically not working consistently at these sites.
12 I believe it's a lot of favoritism that goes on in
13 these unions and it should be brought forth. A lot
14 of the injuries that do occur in New York City on
15 non-union and union construction sites are equal I
16 believe and are mindset as a whole. I believe that
17 a lot of... and what I've seen on union sites where
18 a lot of individuals get hurt on the union site
19 also, but also would be in fear of losing their
20 jobs, so they're told to take their injuries off
21 site and go to the hospital and return to work. If
22 the report did happen on the work site of a union
23 job, that person would no longer have their job the
24 next day. They would be sent off the site or laid
25 off and these are recurring issues that happen with

2 the union, so the statistics would not clearly be
3 stated due to the fact that there are some things;
4 issues or injuries that are being maneuvered off
5 the job site.

6 CHAIRPERSON KOSLOWITZ: Thank you very
7 much.

8 ALEXANDER RILEY: You're welcome.

9 CHAIRPERSON KOSLOWITZ: Hm?

10 LEGAL COUNSEL: Actually we don't want
11 to ask questions. We're out of time and the other
12 committee's ready.

13 CHAIRPERSON KOSLOWITZ: Yeah, we have
14 people from that...

15 [crosstalk]

16 LEGAL COUNSEL: And they're trying to
17 get us out of here.

18 [crosstalk]

19 CHAIRPERSON KOSLOWITZ: Hearing already
20 sitting here.

21 LEGAL COUNSEL: Thank you. Thank you
22 for coming.

23 CHAIRPERSON KOSLOWITZ: Okay, I want to
24 call on Keith Wrightson; Josh Kellermann; Matt
25

1 Ryan, Ed Josse [phonetic]; Lavon Chambers and
2 Norman Saul. Just want to recognize Letitia James.

3 [Pause]

4 CHAIRPERSON KOSLOWITZ: I'm going to
5 call up Mike Corbett and Matt Hyman [phonetic].

6 KEITH WRIGHTSON: Madam Chair and
7 members of the council, good afternoon. Thank you
8 for holding this hearing. It's both timely and
9 necessary. My name is Keith Wrightson. I am the
10 Worker Safety and Health Advocate at Public
11 Citizen. We are located in Washington, DC, and I'm
12 here today on behalf of our 12,000 members in New
13 York State, many of them which reside here in the
14 city. My work at Public Citizen focuses on
15 construction safety and health and the impact of
16 workplace injuries and fatalities on the economy.
17 I am here today to speak in favor of Intro 1169.
18 During the years 2011 and 2012, 36 construction
19 workers died on the job in New York City. 16 of
20 these workers died from falls, trips and slips;
21 nine were struck by an object; eight were crushed
22 by an object; three were classified as other. The
23 majority of these workers were aged 25 to 34 years
24 old, many of which leaving their families behind.
25

1 These fatalities come with a cost and I've
2 estimated that this cost comes with a price tag of
3 \$5.2 million per fatality for a total of \$187.2
4 million over a two-year period. Building
5 maintenance workers are also at risk. During 2011
6 and 2012, 13 maintenance workers lost their lives
7 on the job here in New York. Seven were classified
8 as others and six died from falls, trips or slips.
9 The similarities between the two industries are
10 uncanny. Building maintenance workers' injuries
11 come with a cost too, and I've estimated that at
12 \$67.6 million over a two-year period. Combined, 49
13 workers have died in the last two years in the
14 construction and building maintenance industries
15 for a total of \$254.8 million. Injuries are a
16 problem too in this state. In 2011, 12,000
17 construction workers reported injuries on the job
18 and 10,000 building maintenance workers were also
19 injured on the job. Injuries and fatalities cost
20 money. Direct and indirect costs have a monetary
21 value. These fatalities have a toll also on
22 families and loved ones. Imagine the toll that is
23 left on a child when their father or mother hasn't
24 returned from a day on the job; without a parent
25

1 because the worker did not receive adequate
2 training from his employer. There's a close
3 connection between training and safety and health.
4 I've studied this topic inside and out. I can tell
5 you that a highly skilled and trained workforce has
6 less injuries and occurrences of fatalities on the
7 job. The council has the unique opportunity to
8 address this issue, and I encourage you to vote in
9 favor of this bill. [chime] I also wanted to just
10 take one moment and address some questions that
11 I've heard here today. There are several
12 contractors in this city who have been awarded
13 subsidies and who are also rampant OSHA violators,
14 one of which is L & M Builders, which we heard...

15 [crosstalk]

16 CHAIRPERSON KOSLOWITZ: I would
17 appreciate you not mentioning names.

18 KEITH WRIGHTSON: Okay, in any case.
19 the list is very long; extensive. One contractor
20 received a subsidy of \$850,000. This person also
21 has 27 OSAH violations. Several developers have
22 received subsidies from the city of New York and
23 also subsequent...

24 [crosstalk]
25

2 CHAIRPERSON KOSLOWITZ: 'Kay...

3 [crosstalk]

4 KEITH WRIGHTSON: OSHA violations.

5 CHAIRPERSON KOSLOWITZ: Sir, your three
6 minutes are up.

7 KEITH WRIGHTSON: Thank you.

8 CHAIRPERSON KOSLOWITZ: Next.

9 NORMAN SAUL: I'm Norman Saul. I'm a
10 retired construction worker; a union steward; I
11 also teach for one of the non-construction unions.
12 The problem is really a matter of enforcement. The
13 two OSHA categories that we're under have a special
14 duty clause that says it's the employer's
15 responsibility to make sure that their employees
16 are properly equipped and trained to avoid
17 accidents and injuries, but if there are no people
18 from New York City, New York State or the federal
19 government to go around to do anything about it,
20 well, gee whiz, they save some money on safety
21 equipment. As far as apprenticeship training is
22 concerned, New York State does provide for a
23 company or a group to offer apprenticeship training
24 and get certification over a period of time if they
25 meet the rather strict requirements of New York

1 State. The unions have met this requirement; non-
2 union companies could if they were not looking to
3 skim money. As far as training by unions, we
4 provide this health and safety training at a fee
5 from the contractors in order to provide for them
6 not having to provide the specific obligation of
7 training that they would normally be exposed to.
8 How do I feel about non-union workers? If they're
9 paid a fair wage, we'll get our share of them.
10 What do I feel about the people I've heard here
11 today? A lot of people complaining that they can't
12 afford to take away their wife's mink coat or their
13 next car or trip to somewhere because they need the
14 money, and that the local people should take what
15 they can get and be glad for it. That offends me.
16 I don't care if you're union or not union, you
17 should be entitled to a living wage and not have to
18 have my taxes from my retirement pay for somebody
19 else going to an emergency room because their
20 employer wants to skim a few bucks. Thank you.

22 JOSH KELLERMANN: My name is Josh
23 Kellermann and I work for ALIGN: The Alliance for
24 a Greater New York. We are a permanent alliance of
25 labor and community organizations in New York City

1 working for a just and sustainable New York. I'm
2 not going to read my testimony. I'll just focus on
3 two comments that were made earlier. The first is
4 on the burdensomeness of the disclosure
5 requirements that would be mandated by this law.
6 Tracking the Economic Development Corporation, New
7 York City's EDC, for several years, I've looked at
8 the application process for subsidy recipients.
9 Questions that would be included like have you been
10 accused of or have you been found guilty of wage
11 theft are simply a checkbox with like three lines
12 underneath for a description if you answer yes.
13 These sorts of reporting requirements are minorly
14 burdensome, but the value to the public in make
15 educated decisions on the use of our public
16 subsidies is invaluable. The other piece that I'll
17 speak to is folks have mentioned that the
18 enforcement mechanisms are punitive, and I'll note
19 that this is public money that's being used to
20 subsidize these developments and having subsidy
21 recapture mechanisms; claw-back mechanisms are a
22 best practice in the industry and should be
23 strictly monitored and enforced and this law would
24 do that. Thank you.
25

2 CHAIRPERSON KOSLOWITZ: I'd like to
3 call on Ed Brown; Joel Youngblood; Michael Graham;
4 Teraneice Fogler [phonetic]; Louis Rivera; Tommy
5 Hulendow [phonetic] and Demar [phonetic]. Any of
6 them here? We're doing the best we can. Seth
7 Hackenhill [phonetic]; Keith Seabrook; Robert
8 Ezrapour; Henry Lepre... Nancy, I'm sorry and
9 Lennox Britton.

10 [Pause]

11 ROBERT EZRAPOUR: May I speak? Thank
12 you. My name is Robert Ezrapour. I'm one of the
13 principals of Artimus Construction. We're
14 affordable developers who are very active in
15 central Harlem. Thank you for this opportunity. I
16 don't want to bore you with repeating what
17 everybody else said. We are vehemently opposed to
18 this legislation. We don't think it serves its
19 purpose, but I'd like to ask you a question. When
20 you sponsor this kind of a legislation that
21 requires New York State Department of Labor
22 approval; you've heard people say it takes a year
23 or it takes two years; have you actually asked New
24 York City Department of Labor what is the proper
25 procedure? Just do a dry run if you will. Suppose

1 you're one of us. You agree no one questions
2 safety; no one questions loss of life. That's a
3 disaster. We're proud this hasn't happened to us.
4 What does it take to go to New York State and get
5 approval? Is it realistic? For a more established
6 or a lesser established developer what does it
7 cost? What kind of consultants do you need? What
8 hoops do they make you jump through, the
9 bureaucracy, to actually get that? Maybe we're
10 wrong; maybe you're right and it is... if
11 information wasn't disseminated, we think it's
12 harder than it really is. Secondly, you mentioned
13 what's the cost? Through NYSAFAH we established
14 our own program five years ago. We have graduated
15 about 120 people that have gone through this
16 program. That's not a lot. That's a drop in the
17 bucket, but that's what we have done. When we
18 speak to our staff it costs about 7,500 bucks a
19 year per staff member roughly. So we get a job; we
20 train 100 people; that's \$750,000. How does that
21 come into our HPD programming guidelines? Let's
22 ask that question. So what I'm suggesting
23 respectfully is we all want safety; we all want
24 disclosure. Perhaps one solution is A) to ask New
25

1
2 York State what does it take. Maybe they'll give
3 us streamline procedure so this doesn't become a
4 nightmare and B) what does it cost to do this? And
5 you also alluded to that report that had a bunch of
6 organizations that offer this certification. Our
7 challenge was when we look at them, there are
8 barriers of entry i.e. they're not open to
9 everyone. If they were, why would we create our
10 own program? And B) if an organization creates
11 their own program for training, they're not
12 interested in training my staff. They're
13 interested in training their own people. There's
14 insurance requirements. It's not so simple. So it
15 seems to me the intentions are brilliant; the
16 implementation is not practical. You pass this
17 next month; you're creating a big monster of
18 bureaucracy without having thought it through. You
19 are council people. Why can't you get New York...
20 if New York City would say do it faster, we'd
21 gladly do it. No one wants unsafe construction
22 issues and one issue that wasn't referred to is on
23 our sites DOB requires a site safety manager, a
24 third party person whose sole job is to monitor
25 these sites. These are not mom and pop operations.

1 The fact that it's affordable housing doesn't mean
2 it's poorly run. So I defer to the rest of the
3 board members, and I thank you for your patience,
4 and we're very, very fortunate to live in an
5 environment where we can express our opinions.
6 Thank you again. [chime]

8 NANCY LEPRE: Thank you. My name is
9 Nancy Lepre and I am principal of Avante
10 Contracting Corporation, which is a full service
11 general contractor non-union and Abracadabra
12 Painting Company as a painting specialty
13 subcontractor, also non-union. I'd like to thank
14 Chair Koslowitz and the members of the committee
15 for the opportunity to testify on Intro 1169. I am
16 a registered WBE and have been in business for over
17 30 years. We are a Better Business Bureau
18 Accredited Business with A+ ratings and much of my
19 business is made up of affordable housing. Despite
20 a consistent track record of providing high quality
21 services for over 30 years, under Intro 1169 I
22 would no longer have access to work on construction
23 projects that make up much of my company's business
24 because I would be unable to provide my workers
25 with the mandated Department of Labor

1 apprenticeship program. The bill will be crippling
2 to small businesses like mine. I employ skilled
3 craftsmen, many of whom I've employed for many,
4 many years. They possess the necessary skill set
5 and certifications to do the high quality work for
6 which my company has been recognized. While I have
7 a decently strong back office, we simply do not
8 have the resources to develop the apprenticeship
9 program required in 1169, and then wait a year or
10 more for the Department of Labor to approve it.
11 Some contractors I work with are also small
12 businesses. Many are also M or WBEs who are highly
13 skilled in their craft, but lack the resources or
14 the back office necessary to comply with the
15 demands of 1169. I have done several prevailing
16 wage projects in the past and have tried to put
17 employees on the apprenticeship programs that would
18 be mandated under 1169. These programs are run
19 almost exclusively by the unions and/or private
20 companies, and each time I've tried to get one of
21 my employees into such a program I've been denied.
22 My business and small businesses like mine, many M
23 and WBEs, simply do not have the access to these
24 programs that would be required for us to continue
25

1 to be eligible to work on city supported projects.
2 It would deny us the opportunity to work on
3 projects that for years have been at the core of
4 our businesses. It would also put many of us out
5 of business. I recognize the council's objective
6 to increase access to training opportunities for
7 construction workers and to ensure a high quality
8 product and safe working conditions on city
9 supported projects, but Intro 1169 is not the way
10 to do that. Instead, it will put many small
11 businesses, the little guys that are already having
12 a hard time competing, out of work. I urge the
13 council to reconsider 1169, and explore alternative
14 ways of achieving its goals that will not be so
15 irreparably damaging to small business.
16

17 CHAIRPERSON KOSLOWITZ: Thank you.

18 Next.

19 LENNOX BRITTON: Good afternoon.

20 CHAIRPERSON KOSLOWITZ: You're last,
21 but not least.

22 LENNOX BRITTON: Thank you very much.

23 My name is Lennox Britton and I'm representing the
24 New York State Chapter of the National Association
25 of Minority Contractors. We are a not-for profit

1 corporation, established in 1989 with the mission
2 of advancing and promoting the mutual interests of
3 minority and women contracting forums based in the
4 state of New York. We are the New York State
5 Chapter of a national organization based in
6 Washington, D.C. and our membership consists mainly
7 of minority and women-owned forums in construction
8 and related industries throughout the state. We
9 have non-union member and union members. I would
10 like to thank Chair Koslowitz and the members of
11 the Committee of Economic Development for the
12 opportunity to testify today on Intro 1169. We
13 recognize the intent of Intro 1169; to provide
14 educational training opportunities for construction
15 workers; to ensure high quality products and safe
16 conditions on city supported development sites. We
17 look forward to working with the council to
18 identify ways to achieve those goals that are
19 inclusive of minority and women contractors.
20 However, NYSAM is gravely concerned with the impact
21 Intro 1169 will have on minority and women
22 contracting forums in New York City. For years the
23 city has recognized the need to expand
24 participation with minority and women-owned forums.
25

1 We thank you for those efforts, such as the
2 recently passed amendment to Local Law 129 that
3 helps these businesses be more competitive for city
4 contracts. However, Intro 1169 would be a huge
5 setback to minority and women contractors when it
6 comes to their ability to compete for projects that
7 receive financial assistance from the city. Many
8 minority and women contractors will simply be
9 unable to comply with the onerous demands of Intro
10 1169 and will no longer qualify to work on these
11 projects. Intro 1169 adds substantial
12 administrative burdens and barriers to qualifying
13 for city assisted projects for small contractors.
14 The bill requires all employers on these projects
15 to provide the Department of Labor approved
16 apprenticeship programs, which are predominantly
17 controlled by unions and to which many small
18 minority and women contractors do not currently
19 have access. The development, registration and
20 approval of the required apprenticeship programs
21 are a lengthy and costly process that most of our
22 members do not have the resources to undertake.
23 Even those that might have the resources to do so
24 cannot wait one to two years, the time it takes to
25

1 receive this approval, before they get to back to
2 work under Intro 1169. Intro 1169 would also add a
3 substantial administrative board with its extensive
4 disclosures requirements. This is practically
5 distressing, given the fact that not one of the
6 disclosure requirements relates to participation
7 with minority and women contractors. Minority and
8 women contractors already face a double bind when
9 it comes to their ability to compete with other
10 businesses. They need to be a certain size to
11 compete, [chime] but if they become too successful,
12 they no longer qualify for the state approval.
13 Instead of affording opportunity for minority
14 contractors, 1169 employs the opposite. NYSAM
15 opposes 1169 and strongly urges the council to
16 consider other means of enhancing workforce
17 development that will not have such a profound
18 negative impact on minority and women contractors.
19 We support the trade unions, developers and other
20 relevant groups who want to improve 1169. Thank
21 you again for the opportunity to testify today.

22
23 CHAIRPERSON KOSLOWITZ: Thank you very
24 much and thank you to everyone who sat here for
25 four hours. I also... I think before I close, I

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can again acknowledge the Mayor; the administration did not show up at this hearing and did not notify us that they weren't coming. As of Friday, they said they would be here. So I want to make note again that the administration showed disrespect for this hearing, and with that, this meeting's adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies 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.



Date: __11/19/2013_____