

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

OF THE

COMMITTEE ON CIVIL SERVICE AND LABOR

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Monday, October 28, 2024

Start: 1:20 p.m.

Recess: 4:03 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Hon. Carmen De La Rosa, Chair

COUNCIL MEMBERS:

Tiffany Cabán
Erik D. Bottcher
Eric Dinowitz
Oswald Feliz,
Kamillah Hanks
Julie Menin
Francisco P. Moya
Yusef Salaam

Other Council Members Attending: Restler and
Brewer

COMMITTEE ON CIVIL SERVICE AND LABOR
A P P E A R A N C E S

Ahmed Tigani,
Chief Diversity Officer and First Deputy
Commissioner, New York City Housing Preservation
& Development (HPD)

Lucy Joffe,
Deputy Commissioner for Policy & Strategy New
York City Housing Preservation & Development
(HPD)

Kim Darga
Deputy Commissioner for Development, New York
City Housing Preservation & Development (HPD)

Claudia Henriquez,
Director of Workers' Rights and Bureau of Labor
Law at The Office of the New York City
Comptroller

Justice Favor,
Local 79 member, Director of Strategic
Partnerships at Greater New York, The Laborers'-
Employers Cooperation and Education Trust
(LECET)

Bishop Mitchell Taylor,
Co-founder and CEO of Urban Upbound
*Testimony read by Justice Favor, Construction
Justice Act, Introduction 910

Aasim Martin,
Laborers Local 79, Construction Justice Act,
Introduction 910

Jamal Butler,
Laborers Eastern Region, Construction Justice
Act, Introduction 910

Freddy Loaiza Salazar (via Spanish Interpreter)
Laborers Local 79, Construction Justice Act,
Introduction 910

COMMITTEE ON CIVIL SERVICE AND LABOR

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

Oona Adams Laborers,
Director of Organizing for Laborers Local 79,
Construction Justice Act, Introduction 910

Maurice Cunningham,
Laborers Local 79, Construction Justice Act,
Introduction 910

Shawauna Berry,
Laborers Local 79, Construction Justice Act,
Introduction 910

Jose Carlos Rosas,
(via Spanish Interpreter) Laborers Eastern
Region, Construction Justice Act, Introduction
910

Rayvon White
Laborers Local 79, Construction Justice Act,
Introduction 910

Alvaro Gonzalez Duran,
Organizer, LIUNA Local 79
Construction Justice Act, Introduction 910

Danny Coley,
Laborers Local 79, Construction Justice Act,
Introduction 910

Steven Polizzi,
Laborers Local 79, Construction Justice Act,
Introduction 910

Gilfredo Valentin,
Laborers Local 79, Construction Justice Act,
Introduction 910

Yesenia Mata,
Executive Director of La Colmena

Gyasi Headen,
Executive Director at Pathways to Apprenticeship;
*Presenting testimony for: Ken Edwards,
Manager of Leadership and Organizing Central for
Employment Opportunities

COMMITTEE ON CIVIL SERVICE AND LABOR

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

Hannah Chimowitz,
Senior Researcher and Policy Analyst
National Employment Law Project

Kris Kohler,
Assistant Director of the Mason Tenders District
Council
*Presenting testimony for: David Bolger, Manager,
Mason Tenders District Council

Christopher Leon Johnson,
Construction Justice Act, Introduction 910

Barika Williams,
Executive Director at Association for
Neighborhood & Housing Development (ANHD)

Zachary Steinberg,
Senior Vice President REBNY Real Estate Board of
New York)

Ismene Speliotis,
Executive Director of Mutual Housing Association
of New York
*Testimony presented by Oona Adams,
Director of Organizing for Laborers Local 79

Robert S. Altman,
Queens & Bronx Building Association

Caesar Tobar,
Bronx-wide Coalition

Carina Kaufman-Gutierrez,
Deputy Director of the Street Vendor Project

Juan Nunez,
Northwest Bronx Community and Clergy Coalition

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SERGEANT MORENO: This is a microphone check for the Committee on Civil Service and Labor, located in the Chambers, recorded on October 28, 2024, recorded by James Moreno.

SERGEANT AT ARMS: Quiet, please, thank you. Good afternoon, and welcome to the New York City hybrid hearing on the Committee on Civil Service and Labor. Please silence all electronic devices at this time. Also, please do not approach the dais. If you have any questions, please raise your hand, and one of us at the Sergeant at Arms will kindly assist you. Thank you very much for your kind cooperation.

Chair, we are ready to begin.

CHAIRPERSON DE LA ROSA: (GAVELING IN)

Good morning, and welcome to today's legislative hearing of the Civil Service and Labor Committee. I am Carmen De La Rosa, Chair of the Committee.

Today, we will be hearing the following legislative items:

Introduction 910, sponsored by myself, in relation to the establishment of a community hiring and compensation standards for city assisted housing development projects.

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2 And Resolution 522, sponsored by Council Member
3 Menin, calling on the New York State Legislature to
4 pass and the Governor to sign A.10225/S.9376, also
5 known as The Good Jobs Guarantee Act, which would
6 establish certain workforce training programs and
7 increase employment opportunities for New Yorkers

8 I am proud to today's hearing on Introduction
9 910, a bill that tackles two pressing issues in New
10 York City, wage disparities in housing construction
11 industry and equitable hiring practices to ensure
12 that economic development projects directly benefit
13 the communities they serve.

14 Introduction 910 is a step forward in addressing
15 long standing inequities in an industry where
16 nonunion labor, particularly in affordable housing
17 construction, earns significant less than their
18 unionized counterparts. These workers are often paid
19 low wages, receive minimal benefits, and face unsafe
20 working conditions, even while building the very
21 homes that are meant to support our city's most low
22 income residents.

23 These practices not only endanger workers' well-
24 being, but also compromise the quality of
25 construction on publicly funded projects. Some

1 nonunion contractors evade payroll taxes and fail to
2 provide workers with the essential protections such
3 as social insurance, shifting the economic burden on
4 taxpayers and low abiding employers. These hidden
5 costs are felt throughout the economy even though
6 they aren't reflected in the price of the contract.

7
8 In addition to addressing wage disparities,
9 Introduction 910 includes critical, equitable, hiring
10 provisions aimed at creating jobs for residents of
11 low income zip codes and NYCHA developments.

12 By prioritizing local hiring, we not only help
13 individuals secure stable employment, but also
14 stimulate economic growth within these communities.
15 It is essential that the public dollars we invest in
16 these projects translate into tangible opportunities
17 for residents who need the most.

18 Today's hearing is about striking a balance,
19 making sure we are building the housing that New
20 Yorkers need while also safeguarding the rights and
21 dignity of workers that make it possible.

22 I look forward to hearing from our witnesses
23 today as we continue to explore how Introduction 910
24 can uplift New York City's workers and create a
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1
2 brighter future for all of the residents by investing
3 in worker dignity, safety, and fair wages.

4 I'd like to take the opportunity to thank the
5 staff for their hard work and preparing for this
6 hearing: Elizabeth Arzt, Senior Policy Analyst and
7 Rie Ogasawara, Legislative Counsel

8 I'd also like to thank my Chief of Staff James
9 Burke; Legislative Director, Kiana Diaz; and Director
10 of Communications, Fraynette Familia.

11 I would like to recognize that we've been joined
12 by Council Member Moya and Council Member Cabán on
13 Zoom, Council Member Bottcher, Council Member
14 Restler, Council Member Feliz on Zoom, and Council
15 Member Salaam.

16 I also want to recognize that the Young Women's
17 Leadership of the Bronx is visiting us today and
18 they're up in the orchestra, hi, thank you. Thank you
19 for being here. (APPLAUSE) We can be clap for them.

20 We're also going to be hearing from Council
21 Member Menin who is going to have a statement on her
22 resolution when she arrives, and we will hear
23 testimony from representatives of the Administration.

24 I now turn to the committee counsel who will
25 swear in the Administration's representative, and I

2 want to recognize that we've been joined by Council
3 Member Dinowitz as well.

4 COMMITTEE COUNSEL: We will now hear testimony
5 from the Administration. Before we begin, I will
6 administer the affirmation.

7 Panelists, please raise your right hand. And
8 anyone who is here, who is present from HPD, who is
9 going to testify or answer questions, please join.

10 I will read the affirmation, once and then call
11 on each of you individually to respond.

12 Do you affirm to tell the truth, the whole truth,
13 and nothing but the truth, before this committee, and
14 to respond honestly to council member questions?

15 (PANEL AFFIRMS)

16 COMMITTEE COUNSEL: Thank you.

17 CHAIRPERSON DE LA ROSA: Thank you, you may begin
18 your testimony.

19 FIRST DEPUTY COMMISSIONER TIGANI: Thank you,
20 Chair.

21 Good afternoon, Chair Dela Rosa, members of the
22 New York City Committee on Civil Service and Labor,
23 and members of the Committee on Consumer and Worker
24 Protection.

1 My name is Ahmed Tigani, HPD's First Deputy
2 Commissioner and Chief Diversity Officer. I'm also
3 joined by Lucy Joffe, Deputy Commissioner for Policy
4 and Strategy. Thank you for the opportunity to
5 testify about Intro 910.

6 HPD expands opportunities for New Yorkers. When
7 we are building housing and creating accessible,
8 affordable housing that creates stability for
9 individuals and families that deserve that stability,
10 we are also creating good jobs with fair wages and
11 investing in the City's workforce. We take that
12 economic development function seriously.

13 The Administration successfully negotiated for
14 higher wages for workers on new housing built with
15 the 485-x tax incentive last spring. We are proud of
16 that commitment and that mixed income housing created
17 as a result of the 485-x program will create many
18 more good paying jobs.

19 But our primary focus is on building and
20 preserving accessible affordable housing for New
21 Yorkers who so desperately need it. Increasing wages
22 come at a price that can require difficult tradeoffs
23 to that mission. Affordable housing has historically
24 been treated differently, because of the widespread
25

1 recognition of how desperately we need to build and
2 preserve as many affordable houses as we possibly
3 can. If we are going to introduce new wage
4 requirements for affordable housing, we must do so
5 carefully and consider the impacts of this bill on
6 our mission to address New York City's ongoing
7 affordability crisis by building, preserving, and
8 maintaining affordable housing.
9

10 Based on our initial analysis, this legislation
11 can cost more than \$500 million per year to maintain
12 similar production levels currently. As production
13 targets increase, those numbers compound and the cost
14 balloon. New wage requirements of this kind result in
15 higher costs for HPD in the form of, one, increase
16 wages for workers, two, increase administrative and
17 enforcement costs, three, higher insurance, four,
18 higher per project, low income housing tax credit
19 needs, otherwise known as LIHTC, which is a limited
20 federal source, meaning that fewer projects can be
21 built with this critical funding source.

22 And because HPD is a Gap 5 answer, meaning we
23 cover the gap in project costs between what can be
24 supported by the project's income and the total cost
25 of the project. These costs do not get passed on to

1 the developers. Increases in project costs are funded
2 from HPD's capital budget.

3
4 The increased costs associated with these new
5 requirements would force us to make some very
6 difficult choices. Potentially significantly reducing
7 the number of affordable homes we can provide or
8 build, or we would have to build fewer deeply
9 affordable rental units or fewer homeownership units,
10 because these are the two most expensive types of
11 housing we build.

12 Increased cost to this level threaten the
13 progress we've made on greening our pipeline and
14 building in our limited affordability areas to
15 advance our fair housing goals.

16 New wage requirements can be the difference
17 between some projects being financially feasible
18 versus infeasible. They may discourage would be
19 developers and owners from participating in our
20 subsidized project programs, limiting our pool of
21 experienced partners, and preventing new and smaller
22 developers, general contractors, and subcontractors
23 from entering the field, such as including
24 nonprofits, and MWBEs (Minority and Women Owned
25 Business Enterprises). Wage requirements will force

1 us to make difficult tradeoffs in a constrained
2 capital resource environment as we fight an
3 affordability crisis.
4

5 HPD remains committed to the economic development
6 role that our workplace in our city. In addition to
7 the new wage requirements for 485-x, we strive to
8 support our city's workforce in a number of ways.

9 We have built our Housing Career Pathways Program
10 with NYCHA, with BWI, with Enterprise, to create a
11 groundbreaking scalable program that connects low
12 income New Yorkers to job opportunities in the
13 housing sector. Just this year, we hit our milestone
14 goal of employing our 100th graduate from that
15 program.

16 HPD support and investment in the city's
17 workforce also extends beyond construction jobs.
18 Through HPD financed projects, we support community
19 engagement experts, relocation specialists,
20 consultants of other types, and many other critical
21 trades that are a key part of the industry and the
22 work we do every day to support New Yorkers.

23 We look forward to working with the City Council
24 to find ways to support construction workers and
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1
2 community hiring while maintaining our capacity to
3 address the critical need for affordable housing.

4 We believe that with thoughtful collaboration, we
5 can find a solution that supports workers and
6 communities and our critical affordable housing
7 goals.

8 Thank you for the opportunity to testify about
9 this important issue, and we look forward to your
10 questions.

11 CHAIRPERSON DE LA ROSA: Thank you, Deputy
12 Commissioner, and to the HPD staff for being here.

13 I have few questions that I will jump right into,
14 and then I am sure we will have some questions from
15 our colleagues.

16 What role does HPD play in the approval or
17 procurement during the early stages of housing
18 development site planning process?

19 FIRST DEPUTY COMMISSIONER TIGANI: So, when it
20 comes to site planning process for public sites, we
21 are often involved obviously through the selection of
22 a designee for that site. They come in with a
23 proposal to develop a project in line with community
24 conversations - usually, program plans that have to
25 do with the affordability levels on that project, the

2 kind of non-housing or residential uses, community
3 needs, programming, healthcare, etcetera.

4 There's also an emphasis put on their ability to
5 do a strong job recruitment program focused on
6 community hiring and local sourcing of roles on that
7 project related to construction and other related
8 jobs.

9 On private sites, we are also working with the
10 developers who come to use our term sheets. In fact,
11 there are many rules and requirements, especially for
12 projects that end up using more than \$2 million in
13 public subsidy to put together a higher NYC plan.

14 As you know, the Administration has been a strong
15 supporter and moving forward with a new community
16 hiring regime that we look forward to increasing the
17 ranks of people from our neighborhoods where we build
18 to look like people from those neighborhoods.

19 CHAIRPERSON DE LA ROSA: This bill would
20 require... Intro 910 would require HPD to maintain a
21 publicly searchable online database of all
22 construction projects described in the legislation

23 Would this reporting requirement supplement any
24 existing online database? And, two, what challenges,

2 if any, do you foresee in the implementation and
3 maintenance of this database?

4 FIRST DEPUTY COMMISSIONER TIGANI: So, currently
5 we do provide open data information about the
6 projects we finance after the fiscal year. So, we
7 currently make sure that there's information about
8 how public tax dollars are being used to create the
9 affordable housing we finance.

10 CHAIRPERSON DE LA ROSA: Are there any challenges
11 you foresee in implementing this part of the
12 legislation?

13 FIRST DEPUTY COMMISSIONER TIGANI: I think that in
14 any expansion of the work that we do, there's
15 always... it always comes with a technology and
16 staffing cost that have to be incurred. So we would
17 have to look at that seriously and understand what
18 differences in the information that we're collecting
19 - so, if we have to collect information in a
20 different way, comes with a tech and staff
21 challenges. If we are packaging it or putting it up
22 in a different way, we'd have to evaluate as well.

23 DEPUTY COMMISSIONER JOFFE: Some of the database
24 that... some of the information that we're referring

2 to that we already published online is in accordance
3 with Local Law 44.

4 CHAIRPERSON DE LA ROSA: Mm-hmm.

5 DEPUTY COMMISSIONER JOFFE: So, making sure that
6 we don't have conflicting requirements - and then,
7 again, as the First Deputy Commissioner was saying,
8 that we're aligning as much as possible is always a
9 focus.

10 CHAIRPERSON DE LA ROSA: Great.

11 Continuing to ask around the tracking of
12 projects, does HPD currently maintain records of all
13 housing development construction employers with
14 active projects throughout the City? Yes or no?

15 DEPUTY COMMISSIONER JOFFE: HPD does not play a
16 role in all active projects across the City. So, we
17 would not have a data base of that kind.

18 CHAIRPERSON DE LA ROSA: Is it a matter of privacy
19 concerns, or is there a reason sort of why you all
20 don't track?

21 DEPUTY COMMISSIONER JOFFE: Well, we don't play a
22 role in all of them. We don't have an active role.
23 So, we would not have the information, and it would
24 result in probable duplicative reporting. There are
25 other agencies that would be involved in certain

1 aspects, uh, that would have more involvement than
2 HPD.
3

4 FIRST DEPUTY COMMISSIONER TIGANI: And if I could
5 just... So, from a... If I understand the question,
6 so for HPD financed projects, we are maintaining and
7 keeping those records. For projects that are not
8 subsidized, but require certain housing incentives,
9 uh, support whether it is zoning or tax payment
10 related, we have records of how we are working with
11 those projects. Otherwise, they are working with
12 other regulatory agencies to get the permits that
13 they need, so whether that be DOB (New York City
14 Department of Buildings), DEP (Department of
15 Environmental Protection), Landmarks if they are in a
16 Landmark district. There are other agencies that are
17 working to maintain, manage, and oversee them
18 respectively.

19 CHAIRPERSON DE LA ROSA: Okay, thank you, that was
20 actually going to be followup question, so you
21 predicted that. I appreciate that.

22 FIRST DEPUTY COMMISSIONER TIGANI: We are trying.

23 CHAIRPERSON DE LA ROSA: HPD testified in
24 September, but you also, in your testimony today
25 reinforced this, about working closely with the New

2 York State legislature to enact the Affordable
3 Neighborhoods for New Yorkers also called 485-x, the
4 state tax abatement for affordable housing to include
5 \$40 per hour minimum compensation package for
6 construction workers who build projects with more
7 than a 100 units.

8 If HPD supports a \$40 minimum wage compensation
9 package for construction workers on state subsidized
10 affordable housing project, why wouldn't HPD fully
11 support the same \$40 per hour wage package for
12 workers who build city subsidized affordable housing
13 projects.

14 FIRST DEPUTY COMMISSIONER TIGANI: So I'll start,
15 and I'll ask my colleague to chime in.

16 So we are very proud of the work that was done to
17 drive up a new standard in 485-x and not tax
18 abatement. The ability to advance greater worker
19 protections in that program is going to be a huge and
20 important step for New York City. I will say that one
21 of the biggest differences is that those projects
22 largely are mixed-income projects that have a
23 substantial component of market rate rents that
24 allows the income generated to help support greater
25 costs to those projects.

1 So for our projects, again, we are the gap filler
2 in building an affordability, uh, 100% affordable
3 housing project, where the revenue coming in and the
4 lending and the money they're able to bring into the
5 project to allow for those deeply affordable rents,
6 there's still a gap where the public subsidy comes in
7 and makes the project whole. For those projects
8 within 485-x, where there is a substantial market
9 component, there is the ability to leverage a
10 different source to allow for something different.

11 And then just going further down that line, you
12 have to... we took a look closely at the type of
13 projects that can support that. So, for projects
14 within higher... the possibility for higher income
15 revenue through market rents...

16 CHAIRPERSON DE LA ROSA: Mm-hmm.

17 FIRST DEPUTY COMMISSIONER TIGANI: That's where
18 we're able to establish a more... a higher wage
19 ceiling for certain occupations.

20 CHAIRPERSON DE LA ROSA: Well, a followup question
21 to that is under ,you know, certain provisions of
22 MIH, there are projects that are coming online that
23 have a percentage of ,you know, unaffordable market
24 rate apartments. So, wouldn't that same be true for
25

1
2 those market rate units covering sort of the gap in
3 cost?

4 FIRST DEPUTY COMMISSIONER TIGANI: There are two
5 pieces to that, and one is both, yes, market versus
6 the affordable and thinking about what the rental
7 income can support in terms of debt and borrowing -
8 but, then, also geography. And I will say that ,you
9 know, when MIH was created alongside 421-A, we
10 understood that these would be two programs that
11 would actually need to work together. So, covering
12 the high cost of land and adjusting for the
13 limitation of rental income for the affordable
14 housing. So, in these projects you will see MIH
15 projects that are going to take advantage with 485-x
16 in those areas that geographically make sense on
17 paper and both from a financial perspective and
18 operational perspective, can pay the high wages both
19 for construction workers, building service workers,
20 and allow for what's new, which is the MWBE
21 requirements.

22 CHAIRPERSON DE LA ROSA: Okay, I am going to pause
23 our wonderful conversation to give just a few minutes
24 to my colleague, Council Member Julie Menin for her
25

1 opening statement on her resolution, if you could
2 just bear with us for a second.

3
4 COUNCIL MEMBER MENIN: Oh, thank you so much,
5 Chair De La Rosa, I really appreciate it, and
6 apologies for being late, we had another hearing at
7 the same time.

8 So, thank you, Chair. I'm very excited to talk
9 about my resolution, Resolution 522 that calls on the
10 New York State Legislature to pass, and the Governor
11 to sign legislation supported by Senator Gianaris and
12 Assemblymember Rozic, known as the Good Jobs
13 Guarantee Act, which would establish certain
14 workforce training programs and increase employment
15 opportunities for New Yorkers. It's absolutely
16 critical to provide good jobs as it helps, obviously,
17 to create a stable future and to overcome barriers.

18 Just this month, the New School Center for New
19 York City Affairs reported that 2019 to 2023 was a
20 period of rising wage inequality eroding the gains
21 that were made in the 2010s. Yet low wage workers are
22 increasingly falling behind. In fact, as a result of
23 high inflation, the value of New York City's minimum
24 wage, the report found, had declined.

1 That is why the Good Jobs Guarantee Act is so
2
3 necessary. It will provide a \$100 million guarantee
4 or a fund to unlock private funding for proven
5 workforce development programs that guarantee good
6 jobs in emerging industries and align to the consumer
7 protection and financing requirements.

8 A program administrator, selected and overseen by
9 the State, would utilize the guarantor fund to
10 attract an estimated \$1 billion in social impact
11 investments over 10 years according to an HRNA study.

12 Instead of upfront costs or loans, those who
13 participate, contribute a small percentage of their
14 future income once a good paying job is secured.
15 These funds are then used to help provide career
16 training seekers. There are clear protections such as
17 cap repayment periods and hardship at exceptions.

18 Additionally, the model ensures participants are
19 never saddled with debt burdens, unlike traditional
20 tuition based models, because a risk is assigned to
21 the bond issuing entity, workforce development
22 institutions, and investors. Good high paying jobs
23 can be transformative. The City can send a clear
24 message to Albany that these jobs are needed for our
25 city to continue helping new workers, especially

1 those that are constantly struggling to live here
2 because of costs from housing to child care.

3
4 I want to thank the Chair for allowing me to
5 speak, and I want to thank the resolution supporters
6 including Council Member Williams and drafter William
7 Hongach. I also wanna thank my team, Jonathan Szott,
8 Brandon Jordan, and Mercedes Anderson. Thank you so
9 much, Chair.

10 CHAIRPERSON DE LA ROSA: Thank you, Council Member
11 Menin. It's an important resolution, it's going to
12 take City and State working together to see this
13 happen, so thank you so much.

14 DEPUTY COMMISSIONER JOFFE: So, if we may, I'd
15 love to just go back... (CROSS-TALK)

16 CHAIRPERSON DE LA ROSA: Yes, absolutely...

17 DEPUTY COMMISSIONER JOFFE: and (INAUDIBLE) from
18 the last answer...

19 CHAIRPERSON DE LA ROSA: Mm-hmm?

20 DEPUTY COMMISSIONER JOFFE: to connect that point
21 that our estimates, when we talk about the cost of
22 this bill, are focused on the impacts on HPD's
23 capital budget and how we would subsidize the
24 affordable housing projects that we would do.

1 So, when we talk about \$500 million that is the
2 money that when you don't... when on the dynamics of
3 our project, when we play, as was discussed, this
4 role as gap financier, when the costs increase, we
5 actually have to put in more money into each of those
6 projects, and that works differently on some of these
7 other examples that you talked about. So our dollars
8 go less far, and we can do less with them.

9 CHAIRPERSON DE LA ROSA: Got it.

10 On that same page, one of the things you
11 testified about, Deputy Commissioner, was the four
12 different areas of needs that the new wage
13 requirement would result at... would result in a
14 higher cost. One of those is the LIHTC, the low
15 income tax credits, uh, what are the additional low
16 income tax credit needs? Do you have a projection for
17 that?

18 FIRST DEPUTY COMMISSIONER TIGANI: So...

19 CHAIRPERSON DE LA ROSA: If this bill were to be
20 obviously...

21 FIRST DEPUTY COMMISSIONER TIGANI: So, just to
22 take a step back, on low income tax credits, you
23 know, independent of this piece of legislation, New
24 York City has been fighting for a greater share. It's
25

1 made a huge impact in being able to deliver deeply
2 affordable units of affordable housing. We have been
3 asking that... we actually have a federal legislative
4 package that we have been working to advance, to
5 increase that number. And we've had... we've seen
6 some movement in Congress and look forward... I know
7 we've had council support in the past foreseeing
8 changes made so that we can better use it.

9 For here, and you can correct me if I'm wrong,
10 the main fear, because we have to see how this would
11 play out on a project by project basis, is that the
12 increased cost of those projects would end up putting
13 at risk our ability to fully leverage our LIHTC
14 resource. And in fact, we would end up... because
15 the cost of the projects would go up, we would end up
16 using more LIHTC for each project, because LIHTC
17 comes with a requirement that you have to fund 50% of
18 that project with LIHTC for it to be eligible for
19 LIHTC.

20 So, if the cost of the project goes up, then the
21 LIHTC allocation goes up, which means it's less
22 available for other projects. And then once you take
23 LIHTC out of the equation, then you're funding
24 projects with just straight City capital. And that
25

2 those City capital dollars are enormous. So we
3 basically look... and we can talk a little bit about
4 the specific numbers here, but we are looking at
5 balance, or we try to use different sources to
6 balance out how much of the City capital we use. This
7 way, we can fund a greater number of projects across
8 the board with these different funding sources.

9 By making projects more expensive than need
10 LIHTC, we increased the number of much, again,
11 repeating, but increased the LIHTC allocation,
12 meaning we have less LIHTC to spread across more
13 projects. And we ultimately will likely look at less
14 projects resulting in thousands of units not done
15 every year.

16 CHAIRPERSON DE LA ROSA: Have you all sort of done
17 a projection of how much more of LIHTC dollars are
18 needed from the federal level at this point?

19 FIRST DEPUTY COMMISSIONER TIGANI: Well, I think
20 at this point there it's either a greater amount of
21 volume cap in order to meet projects that we're
22 currently working on. Plus, as we've said in the
23 past, we do have... we continue to have projects in
24 our pipeline that if we had more LIHTC and more

1 resource, we'd be able to do an effective job to get
2 into it.

3 So, we don't... The amount that we have
4 (INAUDIBLE) number is, we're looking for either
5 exceptions for certain types of project to LIHTC or a
6 greater percentage of volume cap overall.

7 CHAIRPERSON DE LA ROSA: Okay, thank you for
8 answering that.

9 What portion of housing projects overseen by HPD
10 would be subject to the requirements outlined in this
11 bill? Do you have a percentage?

12 DEPUTY COMMISSIONER JOFFE: Almost all of them.
13 The numbers are very high, and that's how we looked
14 at it for modeling purposes.

15 CHAIRPERSON DE LA ROSA: Okay. Which wage laws are
16 nonunion contractors bound by? And are any of those
17 laws regulated HPD, or are they primarily governed
18 state imposed minimum wage standards?

19 FIRST DEPUTY COMMISSIONER TIGANI: So, they are
20 bound by all state and federal labor laws -
21 enforcement largely done by the State Department of
22 Labor ,you know, this includes minimum wage,
23 overtime, frequency of pay, meal periods and rest
24 days. The other part of it is, and I think coming
25

1 through this body, there was recent legislation
2 focused on construction labor licensing, which is a
3 huge and significant piece of the labor workforce on
4 sites, which include Bill of Rights for temporary
5 workers, and other general protections, including the
6 recognition of an assignment - so getting into issues
7 about protective gear, and pay, and work schedules.
8

9 DEPUTY COMMISSIONER JOFFE: And while we don't
10 have enforcement authority for necessarily all of
11 these, we have a strong labor monitoring team. And
12 the infrastructure that we coordinate closely with
13 all of the other enforcement agencies. So, whether
14 it's the State Department of Labor, the Federal
15 Department of Labor, at times it's HUD, the Attorney
16 General's Office, other City agencies in the task
17 force. So, there is this infrastructure for when
18 things come to our attention. There is collaboration
19 across, but HPD does not have the enforcement
20 authority ourselves.

21 CHAIRPERSON DE LA ROSA: Got you.

22 Introduction 910 proposes that housing developers
23 pay workers on specific projects a minimum total
24 compensation of \$40 per hour, including at least \$25
25 in wages. Could you provide the current average

2 hourly wage and benefit package for construction
3 workers on HPD affordable housing projects?

4 DEPUTY COMMISSIONER JOFFE: Yes, thank you for
5 that question.

6 So, certain HPD projects trigger federal
7 (INAUDIBLE) and prevailing wages. We've talked about
8 the different labor laws that apply to non-prevailing
9 wage projects.

10 CHAIRPERSON DE LA ROSA: Mm-hmm.

11 DEPUTY COMMISSIONER JOFFE: Because we...
12 laborers and mechanics, that's the language from
13 Davis-Bacon, are typically paid different rates based
14 on the type of work and the trade. So we see that
15 there is, you know, variation across projects. We
16 also see that wages can vary based on broader
17 economic forces within the market. So there are
18 absolutely folks who are earning upwards of \$90 to a
19 \$100 hour. And then there are folks at various levels
20 throughout the pay scale, and this is something that
21 we see across the market.

22 CHAIRPERSON DE LA ROSA: Okay. Alright, let me ask
23 a question about a project that has been currently
24 happening.

1 So in the past few years, Sendero Verde and Bronx
2 Point, two 100% affordable housing projects that
3 receive HPD subsidies, were built with a \$40 wage
4 agreement that included strong community hiring for
5 residents of the South Bronx and East Harlem.
6

7 If these affordable projects could pay \$40 an
8 hour to the lowest paid construction laborers, then
9 why can't other City subsidized affordable projects
10 also pay a \$40 an hour as this bill would require?

11 FIRST DEPUTY COMMISSIONER TIGANI: So thank you
12 for the question.

13 No project is a complete imprint or copy of any
14 other project.

15 CHAIRPERSON DE LA ROSA: Mm-hmm?

16 FIRST DEPUTY COMMISSIONER TIGANI: Every
17 underwriting pro forma comes with dozens of different
18 particular aspects, different funding sources, could
19 be as specific as the borrowing terms from their
20 lender, uh, non-City or public funding sources, the
21 rents on-site, the commercial rents, looking at what
22 the operating costs and their ability to pay debt in
23 the future, all of these factors come to play when
24 they think about what kind of loans they can take out
25 for the initial construction and then be able to be

1 in a position to convert to a permanent loan later
2 on.
3

4 So there are, you know, there certainly has been
5 projects that have been able to work out different
6 arrangements and partnerships with regards to wages.
7 And I know that there's been efforts made by
8 different worker communities and labor to work with
9 these developers to find collaborative ways to work
10 together.

11 If there are opportunities for that, we always
12 try to make sure that we're hearing and being part of
13 those conversations early on.

14 CHAIRPERSON DE LA ROSA: Yeah. I guess my question
15 is sort of like, what triggers HPD to be proactively
16 asking about if that wage standard is doable? Right?
17 Because a developer isn't gonna come up and be like,
18 "Hey, guess what, I can pay workers \$40 an hour. You
19 know? I have the deep pockets to do so," It happens
20 within the process of negotiation.

21 And so my question is, at what point does the
22 Administration say, hey, this is a project where we
23 could explore paying workers these wages? What
24 triggers sort of that conversation in the process?
25

2 DEPUTY COMMISSIONER JOFFE: I think one important
3 piece is this is not about... you're right. This is
4 not about whether a developer shows up and says
5 they're gonna pay for it because it's actually about
6 whether HPD is gonna pay for it. Right?

7 CHAIRPERSON DE LA ROSA: Mm-hmm

8 DEPUTY COMMISSIONER JOFFE: So it's in the mix of
9 all of these levers, whether we're going to have the
10 deepest levels of affordability, whether we're going
11 to... how we structure, which programs we use.
12 Right?

13 Those are all things that we're constantly trying
14 to look at within the context of particular deal, how
15 can we maximize the public benefit?

16 So this isn't about who, you know, what someone
17 else, you know, is always gonna bring to us. It's
18 looking at what the options are on the table and
19 trying to maximize the public value, which can both
20 include, at times, minimum wages for workers as well
21 as what are we getting in terms of the value for our
22 subsidy? And that subsidy is limited, so those are
23 trade-offs that we take very seriously.

24 FIRST DEPUTY COMMISSIONER TIGANI: Then the only
25 thing I would add is through, like, the neighborhood

2 planning processes, projects that go through public
3 review and discretionary review.

4 CHAIRPERSON DE LA ROSA: Mm-hmm

5 FIRST DEPUTY COMMISSIONER TIGANI: Certainly, the
6 question about whether or not there's an opportunity
7 to do different kind of job standards comes up. So
8 there is this sort of proactive conversation that
9 occurs.

10 And to Lucy's point, we come back and understand
11 what the tradeoffs are, because the community may ask
12 for three or four or five things, and we are trying
13 to figure out how to make the best consensus work out
14 with the limited subsidy that we have.

15 CHAIRPERSON DE LA ROSA: So one of the things that
16 this bill also does is that it wants to look at the
17 zip codes in the city where poverty is high. Right?
18 Like, it's not a secret. Like, if we overlay all the
19 maps, the COVID deaths, right, where people are
20 unhoused - these things are clear that they're
21 happening in certain communities across the city. And
22 those are also the communities where workers are
23 being exploited, where wages are stagnant and low,
24 and remain low. And it's also the same communities
25 where the same workers that are building up our city

1 can't even afford to apply for the housing lottery.
2 Right? Because they just are not making the money to
3 get an apartment in the city of New York and let
4 alone you know, make a living.

6 So, when you all are having conversations in
7 like, I see, like, the Bronx, East Harlem. Right? I
8 dare say Washington Heights, Inwood, the district
9 where I represent - When you all are having those
10 conversations in areas of the city where, you know,
11 there's deep poverty, is that a factor that you all
12 are looking at to bring to the table sort of the
13 local hiring component and the wage floor that we're
14 trying to put forth in this legislation?

15 FIRST DEPUTY COMMISSIONER TIGANI: So I'll start.
16 I would say that certainly the local hiring component
17 is a huge part of many of our community visioning
18 processes that we do in neighborhood either for
19 individual RFP projects or when HPD is representing
20 them working through the housing conversation and a
21 neighborhood plan. We have within... at minimum the
22 requirement for Hire NYC, but more often than that,
23 we're working with local job training and recruitment
24 centers. We're partnering with SBS in their workforce
25 training center to look at other allies and, you

1 know, collaborators in the neighborhood beyond that,
2 our MWBE commitment, since 2017, we've been able to
3 put nearly \$2 billion of our subsidy into Black and
4 brown and women-led firms so that we have more of the
5 people who live in our neighborhoods being part of
6 development of our of our projects.
7

8 And then, you know, we look beyond that, and
9 we're coming up to the community hiring work that is
10 currently... the draft rules are before the public
11 now. And being able to implement that work so that
12 we're sourcing from the neighborhoods where we're
13 building in, will be the next milestone and
14 achievement certainly in our procurement work, and
15 we'll continue to look for more opportunities on the
16 development side.

17 CHAIRPERSON DE LA ROSA: Yeah. I'll just say, I
18 think we could have a whole hearing on MWBE and how
19 that actually plays out in communities, but I'll
20 leave that for another day.

21 I'm going pass it over to Council Member Menin
22 who has some questions, and then I'll come back,
23 thank you.

24 COUNCIL MEMBER MENIN: Thank you, so much, Chair.

25 .

2 So a number of questions. First of all, has
3 administration kept records of the number of
4 workforce development organizations by sector?

5 FIRST DEPUTY COMMISSIONER TIGANI: I'm sorry, I
6 think those are... I don't have those numbers, but we
7 can refer to the Office of Talent and Workforce and
8 get back to the committee with those numbers.

9 COUNCIL MEMBER MENIN: Yeah, I'd love to see that.
10 I just wanna see the breakdown by sector on that
11 information.

12 So could you clarify, does the Administration
13 support the Good Jobs Guarantee Act and would it
14 signaled to lawmakers and Albany the importance of
15 unlocking millions of dollars in funds to create jobs
16 in the City?

17 FIRST DEPUTY COMMISSIONER TIGANI: We,
18 unfortunately, HPD, we are here opining on Intro 910,
19 but we certainly will make sure to tell our
20 colleagues at the Office of Talant and Workforce to
21 follow up regarding the resolution.

22 COUNCIL MEMBER MENIN: Okay, so, you'll get back
23 to the Committee then on that? Yeah, I just wanted...

24 FIRST DEPUTY COMMISSIONER TIGANI: Absolutely...
25

1
2 COUNCIL MEMBER MENIN: to get clarification on the
3 Administration's view on that bill and on any steps
4 they're taking to help to support the passage of that
5 bill in Albany.

6 And what are the Administration's goals for
7 workforce training investment for jobs specifically
8 in the technology sector?

9 FIRST DEPUTY COMMISSIONER TIGANI: Unfortunately,
10 I don't have an answer to that. But I, again, all
11 three questions, we can make sure we get back to you,
12 Council Member...

13 COUNCIL MEMBER MENIN: Okay. Okay, thank you.
14 Alright, thanks.

15 CHAIRPERSON DE LA ROSA: Thank you so much,
16 Council Member.

17 I want to ask about fringe benefits, essential
18 benefits. Intro 910 would require developers to
19 provide construction workers with essential an
20 benefit pack that includes medical, dental insurance,
21 retirement accounts, and annuities.

22 What benefits are currently guaranteed to
23 nonunion construction workers on HPD projects? And
24 what percentage of construction workers on HPD
25 housing projects have health insurance at this time?

1 DEPUTY COMMISSIONER JOFFE: So this is information
2 that's regulated by state labor laws and other laws.
3 HPD doesn't have an enforcement or administration
4 role in it, so, unfortunately, we don't have access
5 to the percentages and those numbers.
6

7 CHAIRPERSON DE LA ROSA: So, when you all are
8 doing sort of like the underwriting, especially on
9 affordable housing projects, does HPD make
10 assumptions about the wages for construction workers,
11 and do those assumptions include information about
12 health insurance and other fringe benefits offered by
13 general contractors, subcontractors, etcetera?

14 DEPUTY COMMISSIONER JOFFE: Yeah, so, across
15 prevailing wage projects and non-prevailing wage
16 projects, employers will sometimes pay someone
17 separate - here is your wage and here are your fringe
18 benefits. Sometimes that it is a combined wage that
19 meets the, for example, in federal prevailing wage,
20 requirement on both sides, so those numbers can be
21 represented differently in different circumstances.
22 So, we don't always have access to whether or not
23 that is inclusive or separate on a non-prevailing
24 wage project. But, for purposes of figuring out the
25 cost, we have done a lot of work to try to understand

2 where we think the market currently is and what we
3 would expect the lowest paid workers to be currently
4 paid. Whether that is being paid separately from
5 benefits or inclusive of, because those can vary in
6 the different types of relationships, or workplace
7 relationships that are established.

8 CHAIRPERSON DE LA ROSA: But, when you are in the
9 process of negotiating sort of what that wage
10 structure looks like, are these questions that you're
11 asking of developers, and tracking sort of where...
12 what the wage amounts to if it's a separate payment
13 for workers for health insurance costs and all of
14 that?

15 DEPUTY COMMISSIONER JOFFE: Typically, HPD doesn't
16 play a role directly in those negotiations between a
17 subcontractor, for example, and their workers. That
18 is something that we are not at the table for. It's a
19 private relationship that we actually don't have
20 regulatory authority over.

21 CHAIRPERSON DE LA ROSA: And, is that because
22 the... You will... The assumption is that the State
23 is going to have sort of a regulatory eyes on what
24 that negotiation looks like?

1 DEPUTY COMMISSIONER JOFFE: Should any of those
2 payment relationships, I don't want to assume if it's
3 a contract, et cetera, but should those payment
4 relationships violate state law, or federal law,
5 then, absolutely. And, if we become aware of it,
6 through our work on the project, any of the
7 monitoring that happens, we would absolutely refer
8 them to the enforcement authorities and work
9 together, to the extent necessary, to try to rectify
10 anything that happens on those projects.
11

12 CHAIRPERSON DE LA ROSA: I mean, it seems to me
13 that this is an area that is ripe for exploitation,
14 and that, you know, if there is a track record of
15 this type of behavior, the City should indeed have a
16 way, even if the enforcement and it's not under your
17 jurisdiction, but to continue a working relationship
18 with that type of employer for city subsidized
19 projects.

20 DEPUTY COMMISSIONER JOFFE: Yes. The State, when
21 someone is found guilty of wage theft or other
22 violations, there is an enforcement process by which
23 an employer can be labeled or de-barded even. And
24 then we factor that information in, and, of course,
25 that is that is relevant.

2 CHAIRPERSON DE LA ROSA: Okay.

3 We've been joined by Council Member Gale Brewer.

4 Hi, Gale.

5 Okay, let me see what else we have here. If HPD
6 does not support the wage threshold proposed in this
7 bill, is there an alternative wage standard or
8 framework that HPD would endorse for City assisted
9 housing projects?

10 FIRST DEPUTY COMMISSIONER TIGANI: I think at this
11 time, there... we don't have a particular number or
12 counterproposal, but we're happy to continue
13 discussing this. Again, for us, every, you know,
14 fiscal year we're trying to balance, and these
15 sources, some of it is clear, some of it is the City
16 subsidies, so is Federal where we have to wait to
17 understand what those numbers are. And we also know
18 that the need for developing housing, and especially
19 preserving housing, is great. So these are not... we
20 don't have a particular rebuttal, but, we're, again,
21 more happy to continue discussing it.

22 CHAIRPERSON DE LA ROSA: Thank you.

23 What are some of the challenges that you foresee
24 for smaller developers in meeting wage and hiring
25 standards?

1
2 FIRST DEPUTY COMMISSIONER TIGANI: I think some of
3 the... there's two parts of this, A, the
4 additional... there's the additional costs that come
5 with it, which may make it different difficult for
6 them to be competitive in this work. Additionally,
7 the administrative and the operational pieces of the
8 legislation would make it difficult, especially for
9 emerging and new subcontractors to this industry...
10 in this industry, to be in compliance with the
11 legislation. It can include additional technology
12 costs, additional internal operation and labor costs,
13 for them to be in compliance with the bill.

14 DEPUTY COMMISSIONER JOFFE: So, this I'll add,
15 that this bill has the enforcement structure that
16 mirrors prevailing wage enforcement.

17 CHAIRPERSON DE LA ROSA: Mm-hmm

18 DEPUTY COMMISSIONER JOFFE: And on prevailing wage
19 enforcement projects, there is proactive submission
20 of payrolls, etcetera. So there, is separate from any
21 costs incurred by the City, it requires substantial
22 back office functions that not all small
23 subcontractors have. And so we absolutely see that
24 that can be a factor which limits their ability to
25 participate, their willingness to participate, right,

1 to add those staff members, because typically what we
2 see is people have to have additional staff to be
3 able to provide those proactive... that proactive
4 paperwork, including but not limited to, to payrolls.
5

6 It also means that sometimes general contractors
7 are less willing to hire folks they haven't worked
8 with before, because they don't have that trusting
9 relationship or the confidence that they're gonna be
10 able to hire the additional staff and do the
11 additional payroll and network.

12 All of that can be a limiting factor for some of
13 the newer entrants into the market, smaller
14 contractors, MWBEs, etcetera - some of those folks
15 that we really want to make sure are getting those
16 opportunities to work on HPD projects - some of the
17 structure of how wage enforcement or wage
18 requirements is structured is really important.

19 CHAIRPERSON DE LA ROSA: Yeah. I would think that
20 we, as a city, could come up with ways to support
21 smaller contractors in getting some of the support
22 that they need to do the backend. Because, I think
23 that that's where we will see, you know, people's
24 wages being played with. Right? It's not fair also
25 for workers to spend, you know, hours on a job site,

2 working, you know, excruciating weather conditions,
3 etcetera, to build up our city and then have no way
4 of actually tracking, you know, how they've been
5 exploited if wage theft does occur.

6 DEPUTY COMMISSIONER JOFFE: Building out that
7 support, our colleagues in the Department of Small
8 Business Services, there are efforts to do that, and
9 that's something that we are very committed to. It's
10 just also something else that costs additional money
11 on each of these projects and something that we then
12 think about in the context of tradeoffs and overall,
13 where is the limited budget going to?

14 FIRST DEPUTY COMMISSIONER TIGANI: There has been
15 a number of, I think, important and good steps
16 forward to protecting workers and creating safer job
17 sites just over the last couple of years. When I was
18 at the OB we were involved with Local Law 196, there
19 was construction safety legislation that's been
20 passed since then. Those are examples of both, like,
21 the positives and trials... positive elements and
22 the trials of working through this. So, I agree that
23 we can always and do have examples of and should come
24 up with more examples to support these businesses,
25 but it doesn't take away from the initial cost impact

1 and their ability, you know, barrier to entry
2 questions that come up.
3

4 CHAIRPERSON DE LA ROSA: I am going to ask one
5 more question, then I am going to pass it to Gale for
6 some questions.

7 You cited Local Law 44 earlier today, I can't
8 remember if it was in your testimony or in answering
9 one of the questions, but one of the things that
10 we've heard from the industry is that HPD has not
11 provided any wage data in response to FOIL (Freedom
12 of Information Law) requests, nor updates Local Law or
13 44 data as you were legally required to do.

14 Do you have, you know, can we talk a little bit
15 about that, and is HPD saying that this standard is
16 not economically viable? It's yeah... but you have
17 failed to kind of provide the information from the
18 industry to make those assessments.

19 So where are we with Local Law 44 and the
20 information that's been requested sort of by the
21 industry?

22 DEPUTY COMMISSIONER JOFFE: My understanding is
23 that wage requirement or wage information is treated
24 differently under Local Law 44. So it's not published
25 on open data as it's not part of the provisions of

1 the law, and therefore the system was not built to do
2 that.

3
4 I am not aware of challenges in terms of FOIL
5 with this, but we certainly can look into that and
6 get back to you.

7 CHAIRPERSON DE LA ROSA: But, if someone were to
8 make a FOIL request, HPD would certainly be
9 forthcoming with that information?

10 DEPUTY COMMISSIONER JOFFE: Well, I can't speak
11 specifically to whether or not there are any sort of
12 legal obstacles to why that has not been... why
13 that's been a challenge potentially, but we certainly
14 could look into it. I don't know of any.

15 CHAIRPERSON DE LA ROSA: Great, so, let's follow
16 up on that point later on offline, so that we can try
17 and get that cleared off.

18 I will pass it over to Gale. Gale?

19 COUNCIL MEMBER BREWER: Thank you very much.

20 I read your testimony, but my question is this,
21 because I am very supportive of the concept of what
22 this bill is calling for. But in anticipation, I
23 tried to have the, what I would call, fully
24 affordable nonprofits, talk to the union. Because, I
25 think there's a difference, and I wanna make sure you

1 do also, between... I won't name names, but x for
2 profit developer, putting 20% in his or her, MIH or
3 something else, that person should follow the bill,
4 in my opinion. But there is another, which believe it
5 or not, the union had no idea, I'm just being honest
6 with them, I won't say who, that there are nonprofits
7 who do a 100%. I know nonprofits. They wouldn't build
8 market if you gave them a million dollars. They don't
9 believe in it. So I am looking for support. I wonder
10 what you think... the difference, there's a big
11 difference between the developer, who is mostly
12 market in the building, but has some affordable, and
13 then the 100% nonprofit, who only builds affordable,
14 having to comply with this.

16 And I don't know if you've had any discussions
17 along these lines, but I tried to get the nonprofit
18 community to talk to the union, because the union had
19 no idea that there is such an animal.

20 FIRST DEPUTY COMMISSIONER TIGANI: So, I think one
21 thing that we mentioned earlier, is that, ultimately,
22 if it's a for profit or even it's a nonprofit, which
23 in them, you know, these themselves would see some of
24 the same issues with finding general contractors,
25 some contractors, especially in the operation, Admin,

2 and back end side, the money would still come out of
3 HPD's subsidies. So, the cost and impact, the \$500
4 million, the loss of units regardless, of who the
5 entity upfront is, uh, would still be the same.

6 So our requirement to have to think about the
7 tradeoffs, sustainability, depth of affordability,
8 wages, etcetera, would still be there. And, then, in
9 addition, you know, you have nonprofits, but then
10 like the for profits would have to think about it
11 from the operational and Admin side. They would have
12 to create a new structure to follow the wage
13 reporting regimen. They would have to figure out the
14 backend services, the compliance requirements to
15 oversee general contractor and subcontractor bidding.
16 So, there would be additional costs that they would
17 have to absorb that they may... (CROSS-TALK)

18 COUNCIL MEMBER BREWER: Who is they, now? Are we
19 talking about the for profit... (CROSS-TALK)

20 FIRST DEPUTY COMMISSIONER TIGANI: Oh, the non...
21 (CROSS-TALK)

22 COUNCIL MEMBER BREWER: I don't care about the for
23 profit (INAUDIBLE)... (CROSS-TALK)

24 FIRST DEPUTY COMMISSIONER TIGANI: Okay, so the
25 non... Everything that I said would also apply to a

2 not-for-profit affordable housing developer from the
3 Administrative side, and then the lack of subsidy
4 availability to deal with all of the things we need
5 would apply also to nonprofit affordable developers,
6 because it's an HPD subsidy that we are talking
7 about.

8 COUNCIL MEMBER BREWER: Okay. I don't really
9 understand, I'll be honest with you. What I am trying
10 to say is, so you don't see the difference between
11 the nonprofits, who builds only affordable because
12 they make more money that way.

13 FIRST DEPUTY COMMISSIONER TIGANI: So, then I
14 would say that the for... If you are talking about
15 for profit doing mixed income... (CROSS-TALK)

16 COUNCIL MEMBER BREWER: Yeah, mixed income...

17 FIRST DEPUTY COMMISSIONER TIGANI: Yeah, so the...
18 (CROSS-TALK)

19 COUNCIL MEMBER BREWER: I don't care about them...

20 FIRST DEPUTY COMMISSIONER TIGANI: Yeah...

21 COUNCIL MEMBER BREWER: They should go with
22 this...

23 FIRST DEPUTY COMMISSIONER TIGANI: So, in 485-x,
24 in those areas that would require it, we see a \$40
25 minimum wage. We see building service, uh, workers

1 that are union, we see the other requirements that
2 come with the bill, and that is because the market
3 rate units in those areas that meet those
4 requirements in the 485-x, they can support paying
5 the higher wages.
6

7 COUNCIL MEMBER BREWER: Right.

8 FIRST DEPUTY COMMISSIONER TIGANI: So, yes, there
9 is a difference there.

10 DEPUTY COMMISSIONER JOFFE: Right. In this
11 legislation, as we understand it, and as we modeled
12 for purposes of saying, this is how much we think
13 this will cost, and these would be the impacts, is
14 focused on HPD's portfolio of almost entirely a 100%
15 affordable or mostly affordable projects.

16 So we shrink the universe there as a starting
17 point. And then when we talk about who is a
18 developer on the other side of it, that is where we
19 start talking about the fact that when the costs
20 increase on these projects associated with wage
21 requirements, that's when HPD fills in more money to
22 make sure it still can happen. So it's not about
23 whether or not there is a difference between -- we
24 see what you mean in terms of different types of
25 projects, but in terms of who was on the other end of

1 it, we're still talking about the impact on HPD's
2 budget - and in a budget constrained environment,
3 what choices that's going to cause us to be have to
4 make.

5 COUNCIL MEMBER BREWER: I know, but when it says
6 20% MIH, the developer has the market to carry some
7 of this. But, when it's 100% nonprofit, there isn't
8 that delta.

9 FIRST DEPUTY COMMISSIONER TIGANI: If it is a...

10 COUNCIL MEMBER BREWER: So...

11 FIRST DEPUTY COMMISSIONER TIGANI: Yes, sorry. So,
12 20% MIH, and again (INAUDIBLE)... (CROSS-TALK)

13 COUNCIL MEMBER BREWER: Or whatever...

14 FIRST DEPUTY COMMISSIONER TIGANI: No, no, no, of
15 course... Whenever the split is between market and
16 affordable, part of it is not only the split in the
17 market income versus the income restricted income,
18 it's also the geography that commands certain market
19 (INAUDIBLE) So, that's part of what goes into the
20 operating costs that figure out whether or not you
21 can make certain construction costs, and, then,
22 later, permanent costs, like building service workers
23 work. So, that is the other part of the equation
24 (TIMER CHIMES) where...

2 COUNCIL MEMBER BREWER: Okay, well, I guess... My
3 feeling would be, uh, this is me, that's why I
4 haven't signed on, I am concerned about the
5 nonprofits, but I want everybody else to pay. That's
6 just me, thank you.

7 CHAIRPERSON DE LA ROSA: Thank you, Gale.

8 And, I will just say to that ,you know, it's a
9 question that I have been thinking about, obviously,
10 coming from the community that I represent, building
11 affordable housing is very important, especially for
12 the type of constituents that I represent, you know,
13 not to mix topics here, but the Administration is
14 asking the Council to also consider City of Yes as we
15 look at this. And, part of it is to be bold and look
16 at the ways in which we can change the framework of
17 how we build housing.

18 For me, it's ,you know, aggravating when we are
19 kind of asked to change the reality of what the needs
20 of our communities are, and we are pitting that need
21 for affordable housing versus the need of the worker.
22 Right? And I think that this is the opportunity,
23 pardon the pun, but it's the opportunity for us to
24 kind of reimagine the way that we are having these
25 conversations. And I know that we have had the

1 conversation around term sheets and what that looks
2 like, and how we are relying on other tax abatements
3 and other help to finance affordability, but we can
4 imagine a reality where we can build affordable and
5 also pay workers a dignified wage. Right?

6 So, I am asking us to kind of be bold in that way
7 as well, the same way that the Administration is
8 asking us to be bold and imagine ,you know, basement
9 dwellings and no parking, and all of these other
10 things. We also have to be bold and imagine that
11 there is a worker at the other side of that
12 affordability that we are trying to build in our
13 city.

14 So, it is kind of aggravating to have the
15 conversation that pits... Because ,you know, I was in
16 Albany for five years, we passed some of the
17 strongest tenant protections in the history of our
18 state. I am committed to tenants, and the plight of
19 tenants, and the need to build affordable.

20 At this time, I kind of feel like the
21 conversation pits those two needs against each other
22 - where we should be looking at ways and
23 opportunities where we can actually have both things
24 coexist.
25

2 DEPUTY COMMISSIONER JOFFE: I think we share those
3 concerns. What we are doing today is not trying to
4 deepen that sort of... that pitting of those...

5 CHAIRPERSON DE LA ROSA: Mm-hmm

6 DEPUTY COMMISSIONER JOFFE: values as you said.

7 We want to be really clear and transparent about
8 how we see this impacting HPD's budget.

9 CHAIRPERSON DE LA ROSA: Mm-hmm.

10 DEPUTY COMMISSIONER JOFFE: There is a lot of
11 confusion about, at which times is about, uh,
12 something costing developers more money versus HPD
13 more money, and what are the tradeoffs that we would
14 have to make?

15 And we wanna be really upfront about what those
16 are. Our estimates are that this would cost a lot of
17 money per year, and that the ways that we would
18 address that are building fewer units. Our estimates
19 are that we would build anywhere from a 1,000 to
20 2,500 fewer units per year. We probably would have to
21 do less deep affordability. Some of the programs that
22 we talk about, we won't have as much access to. So
23 those are, while someone may frame those as pitting
24 against each other, and I get that, we also want to
25 have a really serious conversation that looks at,

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what are the impacts and how do we balance that to get the best outcome we can for the City, for New Yorkers, for everyone?

FIRST DEPUTY COMMISSIONER TIGANI: And the only other two things I would add is, you mentioned ,you know, rent regulated housing ,you know, rent regulation is one of the most important protectors of affordable housing in the City. And nearly a million units, it doesn't ,you know, in itself, meet the affordability need of the City.

So, we, as HPD, are constantly thinking of how many more units we can add to that before people can no longer live here and exist in New York, wages and job growth is a very important piece of that. We see primarily our ability to help with that by creating a stable roof and affordable housing, deeply affordable housing, to be a part of that solution.

Then ,you know, the second part of it, is that there are, as you pointed out, with terms sheets or other pieces, there are a lot of specific minutia into what we are trying to do to make it possible for developers, nonprofits, be out there and compete, be able to get the lending that they need, to pay the

1 insurance that they need to get the projects off the
2 ground.
3

4 So, there are lot of different costs increases
5 across the board that we are trying to address. And
6 ,you know, wages are one of those, but to that point,
7 we are trying to look at all of these and balance
8 them.

9 DEPUTY COMMISSIONER JOFFE: And not to keep going
10 back here, but one of, what we see, unfortunately, is
11 that for most New Yorkers, housing is their biggest
12 cost. And that is the lever that we are constantly
13 trying to adjust. And that makes it a very important
14 part of any economic development conversation.

15 CHAIRPERSON DE LA ROSA: Great, thank you for
16 engaging us. I think that this is why this bill is
17 important, because it brings us to the table to have
18 these realistic conversations about how we get those
19 two things done.

20 I don't have the number, but what is the current
21 minimum wage on non-prevailing wage projects?

22 DEPUTY COMMISSIONER JOFFE: So the minimum wage on
23 non-prevailing wage projects would be the minimum
24 wage state wide. So there's not a separate one for
25 you for HPD...

2 CHAIRPERSON DE LA ROSA: Okay, okay.

3 DEPUTY COMMISSIONER JOFFE: That's not necessarily
4 what we see, because that's not really what the labor
5 market dictates for the most part.

6 CHAIRPERSON DE LA ROSA: Okay. Going back to Intro
7 910, so we talked about the 30% that... the bill
8 would require developers to ensure that at least 30%
9 of the hours worked on the project are worked by
10 residents of the zip code with at least 15% of the
11 population is below the federal poverty rate or
12 residents of nature development.

13 How would the agency track to verify that 30% of
14 the hours are met on each project?

15 FIRST DEPUTY COMMISSIONER TIGANI: So right now we
16 have before the public our advancing of rules to
17 establish our new community hiring program.

18 CHAIRPERSON DE LA ROSA: Mm-hmm?

19 FIRST DEPUTY COMMISSIONER TIGANI: A lot of the
20 work we're trying to do to figure out how we would
21 track our work recruiting from members of the
22 community where we're building these projects is part
23 of that public conversation.

24 CHAIRPERSON DE LA ROSA: Mm-hmm?

25

1 FIRST DEPUTY COMMISSIONER TIGANI: So that's what
2
3 we're looking to in terms of input and developing the
4 framework, moving forward around community hiring.

5 Additionally, we have experienced doing this
6 through our Section 3 requirements on federal dollars
7 that we spend, where we're looking and tracking with
8 employers, there are definitely technology and off
9 the shelf software that we use that have been used in
10 the industry and standard in being able to track some
11 of this information. Again, the more specific and
12 particular we get with different conditions that
13 either lock in or lock out certain zip codes, that
14 would come with a tech cost that we would have to
15 evaluate down the line.

16 CHAIRPERSON DE LA ROSA: Will HPD assist in
17 connecting developers with recruitment resources or
18 workforce development programs?

19 FIRST DEPUTY COMMISSIONER TIGANI: We're fortunate
20 to have a great partner in Small Business Services
21 who does that with us currently. We work closely with
22 our workforce development centers throughout the
23 city. And I would say that, over the last 10 years or
24 so, through our neighborhood planning work, we've
25 actually established a network of great relationships

2 with different training and workforce development,
3 nonprofits across the city that we leverage often for
4 help on this.

5 CHAIRPERSON DE LA ROSA: What about NYCHA? How
6 would you be able to engage NYCHA residents to raise
7 awareness?

8 FIRST DEPUTY COMMISSIONER TIGANI: So, Reese,
9 Reese, which is their main center for workforce
10 development and community development, is a partner
11 that we work with often when we are collaborating on
12 projects. In fact, I mentioned earlier the Housing
13 and Career Pathways Program, which is started as a
14 pilot with Enterprise in 2022 and now has grown seven
15 cohorts deep where we work with Reese, we work with
16 Enterprise, we work with our nonprofit partner,
17 Brooklyn Workers Initiative, to recruit and bring
18 people into different jobs in the housing workforce.
19 And we actually just graduated our 101st graduate
20 recently. So we looked to scale that program and
21 continue to grow in the future.

22 CHAIRPERSON DE LA ROSA: Great, thank you.

23 I will pass it to Council Member Restler for
24 questions.

1
2 COUNCIL MEMBER RESTLER: Thank you so much, Chair
3 De La Rosa. I just have to say I don't serve on this
4 committee, so it's a privilege to be here. And we, as
5 a council and as a city, are just incredibly
6 fortunate to have your leadership with this committee
7 and really appreciate everything you do. And, I want
8 to thank HPD be for the testimony today.

9 I just want to maybe bring it back to local
10 experiences in my district.

11 Right now, we have two projects in and around
12 District 33, one in the heart of Brooklyn Heights at
13 Saint Francis, one up in Williamsburg in Council
14 Member Gutiérrez's is district, but on a project that
15 means a lot to her and I both, where the developers
16 have brought in a demolition company that has a
17 deeply troubled record, deeply concerning record of
18 wage theft, of being misleading with the public. I
19 mean, I could go on at great length about the worker
20 intimidation around, you know, how they have lied and
21 cheated, and frankly stolen money. And Yet, I have no
22 leverage to stop them. Right? I call the developer, I
23 set up calls, I say, I'm really concerned about this
24 company, Alba and their record. And the developer
25

1 says, you know, we did a bidding process; they came
2 in at the best price, and it is what it is.

3 I appreciate that there are costs here that are
4 associated with Council Member De La Rosa's bill,
5 it's a good bill, one that I support - I realize it's
6 not a zero sum... or that it is a zero sum game in a
7 sense that we have certain number of resources we're
8 trying to maximize it as much possible, for
9 affordable housing, for good jobs, for all of the
10 things. But without her legislation, we have no
11 mechanism to prevent an entity like this, Alba, that
12 frankly has been undermining worker experience in my
13 community, and across the City, from actually being
14 kept out, right, from doing this work. And so that's
15 why I support the bill.

16 Do you have any advice for me, you all said you
17 don't support this legislation, do you have any
18 mechanisms that I have leverage now to put pressure
19 to stop a bad actor from coming in to our community,
20 undermining ,you know, the experience of workers ,you
21 know, in my community on big, complicated projects?

22 DEPUTY COMMISSIONER JOFFE: So, thank you for that
23 question.
24

1 We take issues of wage enforcement, wage theft,
2
3 it sounds like there's a range of issues that you're
4 referencing, really seriously. We do see that as a
5 slightly different issue that's not necessarily
6 addressed. We have not seen instances where changing
7 a workers pay is what addresses bullying,
8 intimidation, and wage theft.

9 We believe that the most important way to combat
10 those are with enforcement mechanisms. So whenever
11 those are happening, they need to be addressed.

12 I also hear you asking the question about the
13 leverage over which contractors are involved. I'm
14 actually also not sure that that's what's addressed
15 by the legislation. And in fact, what we've seen is
16 that, in some of the more complicated wage schemes,
17 which is, again, the narrowing of the market, so even
18 fewer contractors that are bidding, etcetera. So, we
19 want to... (CROSS-TALK)

20 COUNCIL MEMBER RESTLER: So, I think that this
21 legislation would ensure that we have... are more
22 likely to have union labor, which is more likely to
23 deliver safe working conditions for the workers,
24 better quality outcomes for our communities and for
25 the development projects. This legislation would help

1 advance those likely goals. And right now, I have no
2 way to exert any real influence other than, you know,
3 calling and trying my best to be persuasive and
4 charming, which sometimes works, sometimes doesn't. I
5 wish it worked more. Maybe Carmen can give me some
6 tips (LAUGHTER) about being persuasive.

8 But, I am struggling to persuade the developers
9 in my community, who are hiring bad actors like Alba,
10 I can't stop them. And it is dangerous, and I'm
11 concerned I mean, I could give you a laundry list of
12 issues from unpaid premiums, of worker intimidation
13 and fraud, general liability insurance, where they've
14 been sued over breach of contract multiple times -
15 millions of dollars in wage theft. There's NLRB
16 issues. There's safety environmental concerns. There
17 are extensive issues with this company, and
18 basically, what you're saying to me is, well, they
19 should go in... we should have enforcement agents go
20 out and look at what's happening on-site, or have...
21 I mean... (CROSS-TALK)

22 DEPUTY COMMISSIONER JOFFE: Well, when...

23 COUNCIL MEMBER RESTLER: How is that gonna help me
24 in the current situation I've got? This legislation
25 would ensure that we're less likely to have bad

1
2 actors like Alba operating in our communities than we
3 are today.

4 DEPUTY COMMISSIONER JOFFE: Look we see, uh, wage
5 theft unfortunately happening in a very wide range of
6 circumstances. Right? You can see it on prevailing
7 wage projects. That's why we have a whole unit for
8 it.

9 So I'm not sure that that would solve the
10 problem. I'm not confident enough. Unfortunately,
11 this is just something that we have to deal with, and
12 have to be vigilant about, and have to be aggressive
13 about. (TIMER CHIMES)

14 And, so, whether or not this bill is a good idea,
15 I think, is separate from a really important
16 discussion about enforcing the requirements of state
17 and federal labor laws. And if that, I don't know
18 any... I don't know about, unfortunately, that
19 particular project or that that contractor, but there
20 is a process, we mentioned this a bit earlier, by
21 which those contractors actually can lose their
22 ability to work on projects.

23 And, so, we want to make sure that when we are,
24 how having these conversations about wages, about
25 wage theft, that we're talking about really

1 structuring enforcement mechanisms in a way that
2 they're best enforced, and that we have the really
3 important conversation about wage theft and make sure
4 that people are not experiencing these things. But,
5 we have, unfortunately, continued to see them in all
6 manners of wage administrations. And, so, I think
7 it's less about the vehicle and more about ensuring
8 that we are a aggressive in enforcing all of the
9 applicable requirements, and laws, defensively...

10 (CROSS-TALK)

11
12 FIRST DEPUTY COMMISSIONER TIGANI: And, I would
13 just add, so the affirmative confirmed cases where
14 this happens through the other oversight bodies, when
15 it does come to an HPD project, there is a review
16 process, where we can look into it. And if these are
17 HPD projects, we can follow up with you after, and we
18 can certainly look at them... (CROSS-TALK)

19 COUNCIL MEMBER RESTLER: The point is... And I
20 would like to follow up on it... (CROSS-TALK)

21 FIRST DEPUTY COMMISSIONER TIGANI: Mm-hmm?

22 COUNCIL MEMBER RESTLER: But, what this
23 legislation would do is that, if there is any City
24 resources going in, it may not be an HPD project,
25 that it would help... it would ensure that there is

1 much greater oversight in who is getting hired.

2 Right?

3
4 So, for an example, like the St. Francis project
5 that we have in downtown in Brooklyn Heights, there
6 is City support for the project. It's not an HPD
7 funded project, but we would have leverage here that
8 we don't have currently, if I understand it
9 correctly...

10 FIRST DEPUTY COMMISSIONER TIGANI: Well, again, we
11 have other... There are other agencies and bodies
12 within the Administration that have already a robust
13 and experienced regime on worker rights. For
14 instance, we had talked a little bit earlier about
15 the temporary construction worker regiment that has
16 recently been adopted. And, it... And with DCWP, as
17 one avenue for temporary construction workers to be
18 able to be assured of certain rights, requirements,
19 information sharing, and we can build on that for
20 sure. So, there are other... To Lucy's point, this is
21 a very important conversation, we definitely want to
22 talk about it. But, additionally, when we bring wages
23 into it, we are talking about a smaller slice of all
24 of the construction that happens in the City, a slice
25 that isn't nearly enough, because we ,you know, we

2 are in a constrained environment for capital, and we
3 are just trying to make sure that if we are going to
4 make tradeoffs, we understand that we will making a
5 limited slice maybe a little more limited.

6 COUNCIL MEMBER RESTLER: Okay, thank you very
7 much, Chair. Thank you to HPD.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 As we get ready to hear from the Comptroller's
10 Office, I wanted to ask superficially, how will HPD
11 coordinate with The Comptroller's Office to share and
12 receive information about developers' wage
13 requirements and community hiring plans?

14 FIRST DEPUTY COMMISSIONER TIGANI: So right now we
15 actually have we work with the Comptroller's Office
16 on a range of different pieces, including on
17 oversight from everything from invoice to development
18 finance, we will work collectively and regularly with
19 the Comptroller's Office.

20 I will say that one of the questions here is what
21 if, you know, if there is a requirement in oversight
22 regime, what is the most streamlined, and direct, and
23 least barrier of entry for companies who would be
24 involved in this work? So, we do have things that
25 exist now that companies may be more streamlined to

1 be... or more easily adopt and be streamlined for
2 them to adopt if we move forward with any oversight
3 regime. We would talk to the Comptroller's Office, we
4 would talk to the Council about what those are.

5 I think at the end of the day, when... and this
6 comes to any of the construction, labor, protection,
7 and wage work that's happened over the last couple of
8 years, when we're thinking about compliance, we
9 really have to drill down and figure out what the
10 most effective and least pervasive barrier of entry
11 is so these companies can comply.

12 CHAIRPERSON DE LA ROSA: Thank you for that.

13 We recognize that HPD, like many other municipal
14 agencies, have been struggling with high vacancy
15 rates. You talked about staffing earlier today.

16 Would your department be able to adequately
17 fulfill all of the requirements signed this bill
18 while contending with under staffing?
19

20 FIRST DEPUTY COMMISSIONER TIGANI: I think, you
21 know, right now, we are... we've actually done a lot
22 to try to rebuild and deliver back to back record
23 years in terms of financing and preserving affordable
24 homes in New York City. This is a bill that we're
25 still trying to understand the different parameters

2 for, and cannot say yet that we have... that we have
3 what we would need to implement it as written. So,
4 that would come after a discussion about what this
5 legislation would do and what the parameters of that
6 would be.

7 CHAIRPERSON DE LA ROSA: Thank you. All right,
8 thank you so much for being here today.

9 Up next, we have a representative from The
10 Comptroller's Office, Claudia Henriquez. Hi, Claudia.

11 Thank you so much.

12 PANEL: Thank you, Chair.

13 CHAIRPERSON DE LA ROSA: Hi, Claudia

14 DIRECTOR HENRIQUEZ: (INAUDIBLE) Okay.

15 CHAIRPERSON DE LA ROSA: Yes, thank you for being
16 here, and you may begin.

17 DIRECTOR HENRIQUEZ: My name is Claudia Henriquez,
18 I am Director of Workers' Rights and the Bureau of
19 Labor Law at the Office of the New York City
20 Comptroller, Brad Lander. Thank you to the Committee
21 on Civil Service and Labor, and Chair Carmen De la
22 Rosa for the opportunity to testify today. I'm here
23 to speak on Introduction 910, which establishes wage
24 standards for city assisted housing development
25 projects.

1 The Comptroller's Bureau of Labor Law is
2
3 authorized by state and local laws to enforce the
4 prevailing wage in New York City.

5 Since Comptroller Lander came into office in
6 2022, the Bureau has recovered over \$8 million in
7 back wages and interest to workers and civil
8 penalties for the City.

9 Intro 910 is patterned after local prevailing
10 wage laws that the Office already enforces, and our
11 dedicated team of attorneys, investigators, auditors,
12 classification specialists, and administrators has
13 the experience and the expertise to enforce this law
14 if it passes.

15 We commend the Council for strengthening labor
16 protections and city assisted construction projects.
17 Comptroller Landers strongly believes that where City
18 money is being spent, the workers on those projects
19 should earn fair wages and have strong labor
20 protections.

21 The Comptroller also believes that much more
22 deeply affordable housing is needed to meet the needs
23 of New Yorkers; strong labor protections in wage
24 standards on affordable housing projects should come
25 along with increased city capital, so that the same

1 depth of affordability and levels of production can
2
3 be reached.

4 We have... we're speaking on the labor side, and
5 so we have a few technical edits that we believe will
6 strengthen the legislation and the enforcement.
7 They're explained more fully in our written comments,
8 but I will highlight a few of those now.

9 First is the current definition of construction
10 employer, which refers to any entity, quote,
11 "employing a construction worker". That definition
12 should also add a term such as directly or
13 indirectly, such as through a subcontractor or
14 subcontractors to account for those kinds of indirect
15 employment relationships.

16 The bill makes... later in the bill, it makes a
17 construction employer liable for the wages owed by
18 their subcontractors. But without changing the
19 definition, the construction employer could, in many
20 cases, be the subcontractor, and thus rendering that
21 provision ineffective at reaching the prime
22 contractor.

23 Furthermore, we propose revising the date of the
24 wage publication. Currently, that dataset for
25 December 31st, 2025, we propose that instead it align

1 with the other schedules that are issued by the
2 Comptroller, our construction prevailing wage
3 schedules, wage schedules for city service
4 contractors, which are issued July 1st each calendar
5 year. And so therefore, we would propose that, in the
6 interest of both efficiency from our office staff,
7 and then for those employers who are accustomed to
8 looking for our schedules on July 1st, that all of
9 those dates be aligned.
10

11 Finally, we hope that if the bill does pass, it's
12 accompanied by additional resources for our staff,
13 including additional attorneys, investigators, and
14 auditors, as well as funding to establish the
15 electronic document submission portal that's
16 contemplated by the statute, so that we can properly
17 audit the documents that are supposed to be submitted
18 to us as certified payroll reports.

19 Thank you for the opportunity to speak today. We
20 look forward to ongoing opportunities to partner with
21 the Council to champion strong labor standards for
22 workers. (TIMER CHIMES)

23 CHAIRPERSON DE LA ROSA: Thank you. I have some
24 questions for you, and I love it how you give us your
25

2 technical edits and then say give us more money to do
3 this. Very, very nice.

4 Okay, so, let me ask you a few questions. You
5 testified that the obviously, the Comptroller's
6 Office, uhm, the Bureau enforces wage standards and
7 prevailing wage or living wage for City contracts and
8 City subsidized projects.

9 Does the Comptroller's Office play a role in
10 enforcing the compliance of any other construction
11 projects?

12 DIRECTOR HENRIQUEZ: So, we enforce under Article
13 8 of the Labor Law as well as state laws where the
14 developer receives a tax benefit. So this includes
15 the construction wage standards under 421-A...

16 CHAIRPERSON DE LA ROSA: Mm-hmm.

17 DIRECTOR HENRIQUEZ: As well as our colleagues at
18 HPD mentioned 485-x. So that construction wage
19 standard is under our enforcement as well.

20 CHAIRPERSON DE LA ROSA: Introduction 910 mandates
21 annual adjustment to wages and benefits based on the
22 rates of inflation, the consumer price index for
23 urban wage earners in our metropolitan area, or the
24 US Department of Labor's successor index. What is the
25 sustainability and fairness of this approach,

2 particularly in balancing developer costs and worker
3 protections?

4 DIRECTOR HENRIQUEZ: So, you know, I can't really
5 speak to the cost element as far as the developers, I
6 can say that we have a unit, a classifications unit
7 that adjusts the wage requirements once a year, in
8 some cases twice a year for all construction
9 projects. And so they would have the expertise to be
10 able to make those calculations. So we would be able
11 to... I don't think there would be any issue in terms
12 of the implementation. As far as the impact on
13 developers, I think that would be more for HPD to
14 address.

15 CHAIRPERSON DE LA ROSA: Okay, thank you.

16 In Introduction 910, the Comptroller's Office is
17 tasked with monitoring compliance to oversee and
18 enforce wage and community hiring requirements.

19 Does your office see any challenges with
20 insurance compliance or how my office addressed them?

21 DIRECTOR HENRIQUEZ: So, I think that the wage
22 enforcement would be, you know, in line with the work
23 that we're already doing. We don't currently have
24 enforcement authority over community hiring metrics
25 under any other law, and so that would be a new area.

1 As far as the challenges, this particular statute
2
3 contemplates that all of the employers that are
4 subject to this law submit records to our office.
5 That's currently not the case for most construction
6 laws. Usually, our cases come to us via complaints,
7 and so to have an automatic process whereby we are
8 reviewing every single project that comes in is quite
9 staff intensive. And so that is, you know, the little
10 pitch at the end for additional resources.

11 Also, the online portal, there is a State bill
12 that passed that requires the Department of Labor,
13 and I believe also the is working on one to collect
14 certified payroll reports electronically - that does
15 not yet exist. So, we just have to figure out how to
16 work all of that into some structures that are being
17 put into place, but we currently don't have
18 technology either.

19 CHAIRPERSON DE LA ROSA: Is there a mechanism
20 placed right now that allows for aggrieved persons to
21 submit complaints for a Comptroller's review at this
22 time?

23 DIRECTOR HENRIQUEZ: Yes, they can very easily file
24 complaints on our website.

CHAIRPERSON DE LA ROSA: Great. Any questions?

Alright, thank you so much for being...

DIRECTOR HENRIQUEZ: Thank you very much.

CHAIRPERSON DE LA ROSA: Thank you for your testimony.

Okay, I now open the floor for public testimony. Before we begin, I remind members of the public that this is a formal government proceeding and that decorum shall be observed at all times. As such, members of the public shall remain silent at all times.

The witness table is reserved for people who wish to testify. No video recording or photography is allowed from the witness table.

Further, members of the public may not present audio or video recordings as testimony, but may submit transcripts of such recordings to the Sergeant at Arms for inclusion in the hearing record.

If you wish to speak at today's hearing, and have not already done so, please fill out an appearance card with the Sergeant at Arms and wait to be recognized. When recognized, you will have two minutes to speak on today's hearing topic regarding Introduction 910 and Resolution 522.

1 If you have written testimony or additional
2 written testimony that you wish to submit for the
3 record, please provide a copy of the testimony to the
4 Sergeant at Arms. You may also email written
5 testimony to testimony@council.nyc.gov within 72
6 hours after the close of today's hearing. Audio and
7 video recordings will not be accepted.

8 When you hear your name, please come up to the
9 witness table.

10 For the first panel, we will invite Justice
11 Favor, Bishop Mitchell Taylor, Aasim Martin, Freddy
12 Loaiza Salazar, and Jamal Butler. Sorry, if I messed
13 up anyone's name, feel free to correct it on the
14 record.

15 You may begin, and just identify yourself for the
16 record, thank you.

17 JUSTICE FAVOR: Good afternoon, my name is Justice
18 Favor. Thank you, Chair, and Committee members for
19 the opportunity to testify today on behalf of
20 thousands of construction workers in the affordable
21 housing industry.

22 I'm a proud Local 79 member and worked in
23 construction, including nonunion for well over a
24 decade. I was born and raised in public housing, and
25

1
2 I am proof that a \$40 wage and benefit package can
3 transform your life and the lives of others around
4 you like it did me and my family.

5 Today is not about me though. Today is about
6 making sure our city has construction justice, so
7 that low income New Yorkers, like the people I grew
8 up with, have access to family sustaining wages and
9 affordable housing.

10 Our communities are being harmed by some bad
11 actors in the affordable housing industry who take
12 government subsidies and pay construction workers
13 poverty wages.

14 Laborers on these affordable housing projects are
15 mainly Black and Brown New Yorkers. They are paid as
16 little as \$17 an hour by greedy, irresponsible
17 contractors who are only making our housing crisis
18 worse.

19 In a typical year, a \$17 per hour construction
20 laborer's working person makes less than \$29,000 a
21 year, because we don't get regular hours, earning in
22 30% of that average medium income means you can only
23 afford \$800.00 in rent. So these laborers that build
24 affordable housing can't afford to live in a city
25 that they are building. That's unacceptable.

1 So, \$40 minimum package for construction workers
2
3 who build affordable housing in our city is both
4 morally and economically feasible. I'm tired of
5 hearing anyone that says a just wage is impossible.
6 We are already doing it.

7 Since 2021, Local 79 members have worked on a
8 100% affordable City financed projects that have
9 created nearly 3,000 new apartments while paying a
10 \$40 an hour compensation package.

11 We also have a pipeline of more than 6,000
12 affordable units. (TIMER CHIMES) These projects
13 proved that a standard for construction workers and
14 more affordable housing go together, but we can't
15 rely on the market alone to guarantee a fair wage for
16 all construction workers on City financed
17 developments.

18 Recent affordable projects with this package for
19 construction laborers include Bronx Pointe and the
20 South Bronx, Sendero Verde in East Harlem, and 326
21 Rockaway Avenue in Brownsville. These projects are
22 creating deeply affordable housing and family
23 sustaining careers for local construction work as
24 formally incarcerated folks, women and immigrants.

1 That's why we need the Construction Justice Act.
2
3 It will ensure that all construction workers who
4 build city subsidized affordable housing receive the
5 same \$40 an hour minimum compensation package.

6 If we want the city to be of Yes for affordable
7 housing, we also have to be a City of Yes for the
8 workers who build it. Thank you... That's why urged
9 the City Council to pass the Construction Justice
10 Act. Thank you.

11 CHAIRPERSON DE LA ROSA: Thank you so much.

12 Bishop Taylor?

13 JUSTICE FAVOR: Yes. Bishop Taylor couldn't be
14 here today, so I'm gonna read his testimony.

15 CHAIRPERSON DE LA ROSA: Okay.

16 JUSTICE FAVOR: "Esteemed members of the Council,
17 thank you for the opportunity to speak. I am Bishop
18 Mitchell Taylor, co-founder and CEO of Urban Upbound,
19 an organization focused on breaking cycles of poverty
20 in public housing neighborhoods. I'm here to express
21 our strong support for the Construction Justice Act,
22 Introduction 910.

23 For too long, the people building affordable
24 housing in low-income Black and brown communities
25 haven't earned enough to live in these very

1 developments. If passed, the Construction Justice
2 Act's proposed \$40 per hour compensation package
3 would change that. The bill sets a moral wage
4 standard and ensures that these good jobs go to the
5 communities that need them most -low-income New
6 Yorkers, NYCHA residents, and historically
7 disadvantaged groups.
8

9 In places like Queensbridge, where I grew up,
10 increased compensation can transform lives, and
11 construction careers can empower residents to break
12 cycles of poverty. It also provides a chance for
13 formerly incarcerated individuals, immigrants, and
14 others from disadvantaged backgrounds to access
15 health insurance and provide for their families.

16 When the City spends tax dollars on affordable
17 housing, those dollars must come back to our
18 communities. The Construction Justice Act would
19 ensure that happens. This legislation also
20 incentivizes developers and contractors to invest in
21 their workforce, creating a level playing field that
22 improves productivity and efficiency while
23 maintaining high standards.

24 We can't afford to wait. By passing this bill,
25 the Council would strengthen the fight against the

2 housing crisis with real solutions—strong wages and
3 community hiring standards. Urban Upbound is proud to
4 support the Construction Justice Act, and we urge the
5 Council to take action.” Thank you.

6 CHAIRPERSON DE LA ROSA: Thank you. Why don't we
7 go just down the line, and then we will come back
8 around.

9 AASIM MARTIN: Hello, ladies and gentlemen, thank
10 you for your time. My name is Aasim Martin, and I'm
11 from Harlem, I worked many years in dangerous
12 conditions, building affordable housing while
13 struggling day to day with low wages. My low pay made
14 me feel easily replaceable; I first worked for a
15 demolition company that fired me because I complained
16 about getting paid off the books. I next worked for a
17 masonry company on the books, but I was still so
18 poorly paid that I had to use my Medicaid. When I
19 entered my ankle on a night shift, I was told by my
20 foreman that I wasn't getting workers comp, so I
21 ended up using some of my sick days. This job paid a
22 little better, so I went back to work limping.

23 The most a masonry company paid me was \$25 an
24 hour, but they never gave me health insurance. It
25 also was not steady work, because in construction,

1 you may not have work every day. Masonry work is,
2 especially weather dependent. I woke up every morning
3 afraid that I would get a text that I wouldn't be
4 working that day, and not getting paid.
5

6 My worst fear is not being able to provide for my
7 family. Construction is the deadliest industry in New
8 York City. All of us are risking our lives every day.
9 We deserve safe jobs that treat us fairly and pay at
10 least \$40 an hour.

11 Since I began my apprenticeship, I've been able
12 to take my family out of poverty, I have job
13 security, and I don't fear missing a day of work.

14 I'm proud of my family and friends that are now
15 following in my footsteps. My son recently started
16 his apprenticeship program with Local 79, and he did
17 not have to experience exploitation like I had to. He
18 was just on an affordable housing site in the Bronx
19 working for a masonry contractor that pays fair wages
20 and health insurance.

21 At the moment, I'm working with my tools to
22 renovate a hospital, but I would love one day to work
23 with my son on an affordable housing site with a job
24 pay rate of at least \$40 standard.
25

2 Construction justice has already blessed my
3 family. Our city needs to create more good jobs so
4 those living in poverty have a chance to make a
5 better life for themselves. We need construction
6 justice. (TIMER CHIMES) Thank you.

7 CHAIRPERSON DE LA ROSA: Thank you very much.
8 (APPLAUSE)

9 CHAIRPERSON DE LA ROSA: Thank you, all. You know
10 we love you all, but we don't clap in the Chamber we
11 do this (SILENT APPLAUSE MOTION)

12 PANEL: Let's do it, let's do it!

13 JAMAL BUTLER: Good morning, City Council. My name
14 is Jamal Butler and I'm from Staten Island. I worked
15 for a concrete contractor on an affordable housing
16 project in Harlem. When I was working there, I had to
17 pay an arm and leg for my health insurance. I was
18 making \$25 an hour, but at the end of the month, I
19 had to pay something like, \$500 out of my pocket to
20 get my own health insurance. I still had high co-pays
21 and out of pocket costs. I needed health coverage,
22 because I had one of the most dangerous jobs. I was
23 grinding the concrete ceilings all the dust was going
24 straight into my face. I used to look like someone
25 beat me with a bag of flour. Someone told me, watch

1 out, silica can creep up on you, so I bought my own
2 respirator and my own health insurance, but then I
3 had no money left at the end of the month. I had none
4 to fall back on if I ever lost that job. There were
5 times I wouldn't get paid on time, all my checks
6 would bounce. Sometimes I needed side hustles or a
7 second job to make ends meet. My coworkers and I
8 worked ourselves to the bone, we got so tired it
9 created safety problems, and falling objects almost
10 took my life multiple times.

12 When I became a residential labor with a \$40 pay
13 package, I could pay my rent, my family had health
14 insurance, and I felt safer working on a job site
15 that invests in its workers.

16 Too many construction workers are getting
17 exploited, especially on job sites receiving tax
18 payor money. These contractors should pay us enough
19 to live decently and afford health care, not run us
20 into the ground and leave us with no savings. No one
21 could tell me that we don't deserve to make \$40 per
22 hour. Construction workers can't work forever. We
23 need retirement with dignity when our bodies break
24 down from work. For this reason, we also need quality
25 medical care, working in one of the most dangerous

1 industries. Paying construction workers fairly and
2 hiring from local communities (TIMER CHIMES) will
3 improve job safety and productivity. Let's build
4 affordable housing better and faster. I support the
5 passage for Construction Justice, Introduction 910.

6
7 CHAIRPERSON DE LA ROSA: Thank you so much.

8 JAMAL BUTLER: You're welcome.

9 CHAIRPERSON DE LA ROSA: Okay, we have Freddy.

10 FREDDY LOAIZA SALAZAR: (SPEAKING FOREIGN
11 LANGUAGE) We need to pay a wage to construction
12 workers that supports a good standard of life, thank
13 you.

14 CHAIRPERSON DE LA ROSA: Thank you.

15 INTERPRETER: I will translate for Freddy.

16 "My name is Freddy Loaiza Salazar, I live in
17 Queens, and I am a Local 79 journey worker.
18 Previously, I worked for nonunion affordable housing
19 contractor for three years. I was working as a
20 laborer and a mason tender. I was paid \$17 per hour
21 with no insurance. The pay when I worked nonunion was
22 not enough to build a good life. I could only afford
23 to rent a room and I had no savings. I'm going to say
24 it again - I was working on a City funded job while
25 renting a room to sleep in and skipping meals. I put

2 off going to the doctor, because I was scared that I
3 would get hit with the expensive medical bill. I
4 don't know what I would have done in an emergency.

5 Now I earn a just compensation package having
6 health care for my family helped us get care. With
7 better wages, I can afford to rent an apartment and
8 live. Life is more calm. I'm starting to save up.

9 I still work hard, but I know one day I'll be
10 able to retire, because my pay includes a retirement
11 contributions.

12 I see a lot of construction workers in my
13 community, many of them immigrants, still going
14 through the struggles that I faced. They can't plan
15 for a future, because they're just trying to figure
16 out how to get enough food to eat each day. I used to
17 be one of those workers. We need to pay a wage to
18 construction workers that supports a good standard of
19 life." Thank you.

20 CHAIRPERSON DE LA ROSA: Thank you all so much.

21 I do have some questions for Justice. But, first
22 I want to say that I appreciate you all coming out
23 and telling your stories, sharing deeply personal
24 experiences. It's appreciated.

1 So, Justice, what are some of the essential
2 benefits that factor into the \$40 standard?

3 JUSTICE FAVOR: Thank you for your question.

4 There are plethora of benefits, though. Well,
5 let's start with some of the most important ones, you
6 have health insurances that's in fact that in that;
7 you have a pension; you have annuity. You have funds
8 that are basically allocated to have protections
9 that's in place, so you can have a real livable wage.

10 So what we're saying is that \$25 of those dollars
11 would be allocated to your wage. The \$15 is allocated
12 to the fringe benefits, which would be your
13 retirement, your annuity, your pension, your
14 vacation, and health insurance, some of the most
15 vital things that keep you going.

16 CHAIRPERSON DE LA ROSA: One of the things that
17 this bill also looks at is reducing recidivism.
18 Right? Something that has deeply personal for me, I
19 know deeply personal for you in your testimony.

20 How can good jobs reduce recidivism and improve
21 public safety since we are a city that has
22 prioritized safety in our city?

23 JUSTICE FAVOR: I mean, it's personal. When we
24 think about ,you know, a lot of this work is being
25

1
2 already built, being built and disenfranchised under
3 distressed communities, high crime communities. And,
4 you know, I grew up in the community that was crime
5 ridden, poverty stricken. And most of the people I
6 know that committed crime, they didn't commit crimes
7 of passion. I didn't know well, or rather, I don't
8 think I know anyone that, you know, committed some of
9 the, you know, heinous crimes like rape or things
10 like that. But I did know people that may have robbed
11 and stole or sold drugs purely out of survival.

12 So, when we talk about ending recidivism,
13 construction is the first and most... one of the
14 easiest entry points for one that's for a person that
15 is formally incarcerated to get in for many reasons.
16 They don't check a box, they just wanna know if they
17 could do this work.

18 So when you provide someone with a livable wage a
19 career, folks aren't going back. The data shows that
20 if someone has a career opportunity that they are
21 making a livable wage, there's no reason to re-
22 offend.

23 A family sustaining job is the best crime
24 prevention tool. Workers earned better wages, are

2 less likely to need secondary income to commit crime
3 out of poverty.

4 CHAIRPERSON DE LA ROSA: Thank you so much for
5 bringing that to light as well.

6 I want to thank you all again for coming and for
7 submitting testimony today, thank you.

8 Up next, our second panel will be made up of Oona
9 Adams, Rayvon White, Maurice Cunningham, Shawauna
10 Berry, and Jose Carlos Rosas.

11 Alright, perfect, we will begin with Oona.

12 OONA ADAMS: Good morning, my name is Oona Adams,
13 and I'm the Director of Organizing for Laborer's
14 Local 79.

15 The Construction Justice Act is a
16 necessary part of this City Council's those actions
17 to address the current housing crisis and end the
18 exploitation of workers who build affordable housing.

19 Currently, there are no standards for wages, and
20 benefits, and community hiring attached to most forms
21 of City financial assistance for affordable housing.
22 The Construction Justice Act will help end this
23 unjust reality for construction workers.

24 Earlier this year, as was mentioned earlier in
25 testimony, the City and HPD worked with Governor

1 Hochul and the State Legislature to pass a \$40
2 minimum compensation package for all construction
3 workers as part of its Affordable Neighborhoods or
4 485-x program.
5

6 It is time for the City to enact that same \$40
7 minimum standard for the workers who build affordable
8 housing that receive City subsidies. We reject a two-
9 tiered system where construction workers earn \$40 an
10 hour on a State project that's affordable housing,
11 but are paid poverty wages on a City project that
12 could be right next door. That is wrong, and it's
13 unacceptable - \$40 per hour must be the standard for
14 all subsidized affordable housing projects.

15 Claims by HPD that this wage standard would be
16 cost prohibitive at any threshold are not in good
17 faith. They ignore the fact that City subsidized
18 affordable projects have been built already using
19 this \$40 an hour standard on both for profit and not
20 for profit jobs, and that other cities and states
21 have instituted (TIMER CHIMES) construction wage
22 standards for affordable housing using some of the
23 subsidy streams LIHTC, which were discussed earlier.
24 These doomsday claims ignore multiple academic
25 studies which confirm that higher wages have been

1 shown to increase productivity by retaining
2 experienced workers and faster time to completion.
3

4 And as it was discussed earlier, market precedent
5 clearly exists already for paying construction
6 workers this \$40 an hour package. Indeed, this
7 precedent has been created in recent years by
8 responsible contractors, unions, and affordable
9 housing developers, but it's time to move past
10 project by project. Market driven approaches will
11 raise wages for some, but leave many workers
12 vulnerable to poverty wages, especially when low-road
13 contractors, like Lincoln was speaking about, are
14 building affordable housing.

15 Let's be clear. The market will not guarantee
16 that these construction workers earn the same \$40
17 minimum wage and benefit package, but City government
18 can and should guarantee it when tax dollars
19 subsidize affordable projects. And that's why the
20 City Council should pass the Construction Justice
21 Act. We thank the City Council and the Chair and
22 Speaker for their leadership in uplifting New York
23 City communities.

24 CHAIRPERSON DE LA ROSA: Thank you so much.
25

1 MAURICE CUNNINGHAM: My name is Maurice
2 Cunningham. I've lived in Brownsville, Brooklyn all
3 my life.
4

5 Over the last eight years I've worked on
6 affordable housing projects all over the City.

7 Getting a low wage with no benefits is not fair
8 at all. Every day I woke up before sunrise with my
9 body hurting.

10 To work in construction, you have to be mentally
11 and physically tough. This is one of the most
12 dangerous industries, and my body paid the price.
13 When I fell off a scaffold, I returned to work the
14 next day. When I messed up my knee, I kept on
15 working, because I couldn't afford to miss a check.
16 Now I'm 33 with a bad back and bad knees with nothing
17 to show for it.

18 When I got into the union, my first job was an
19 100% affordable housing project. I worked for a
20 masonry contractor that paid me a fair wage. For
21 every hour I work, I get healthcare for me and my
22 daughter and money towards my retirement.

23 Construction is not just a job anymore, it's a
24 career.
25

1 My friends, family and former coworkers are still
2 underpaid. Creating jobs at \$40 an hour in
3 Brownsville will benefit those who need it, because
4 the cost of living is too high in this city. It's not
5 right for people in this industry to receive poverty
6 wages and no benefits. Good jobs would bring down
7 crime in my community and encourage people to find
8 legitimate employment. I'm not going backwards. The
9 city needs to move forward with a fair wage of \$40 an
10 hour. My community needs construction justice, thank
11 you.

12 CHAIRPERSON DE LA ROSA: Thank you so much.

13 SHAWAUNA BERRY: My name is Shawauna, I'm from
14 East Harlem and I have three kids. I was a
15 construction worker on non-union affordable housing
16 projects until 2022. I joined the Local 79
17 apprenticeship program in 2023, and now I am a proud
18 Local 79 apprentice.

19 I struggled working on non-union affordable
20 housing. The contractors paid me poverty wages and
21 offered no insurance. On these projects I did hard
22 work like general conditions labor, cleaning the
23 site, fireguard, and running the hoist. I had a lot
24 of responsibilities, but I got paid only \$18 an hour.
25

1 Even though I was working full time, I struggled
2 to care for myself and my kids. I had to rely on
3 government assistance like Medicaid, but even with
4 that there were a lot of out of pocket costs, because
5 I have a health condition that requires regular
6 checkups and medication. I always had to cancel my
7 doctor's appointments, because I couldn't afford to
8 miss work, and because I couldn't afford the out of
9 pocket costs. There were times that I needed to see a
10 doctor, and I couldn't. This was also difficult as a
11 mother who is a provider for my household. I didn't
12 even have time to help my kids with homework.

14 When I worked on these affordable housing
15 projects I needed a better wage. I needed a just
16 wage. I needed benefits or at least to make enough to
17 be able to afford my own healthcare and to start
18 putting a little money away for emergencies. A \$40
19 package would've made a huge difference. A \$40
20 package would have given me a little breathing room
21 to buy my kids' school supplies and save for their
22 college expenses.

23 My life got a lot better after I joined the
24 union. Now I can stay afloat, because I earn a
25 family-sustaining wage. Every hour that I work goes

1 towards medical and retirement contributions paid by
2 my employer. Two of my kids are going to college, and
3 I finally feel like I can support them. (TIMER
4 CHIMES) I want to build more affordable housing in my
5 neighborhood, but me and other mothers just like me
6 have to be able to live with dignity while we're
7 building these projects.

9 Our labor is not invisible. We deserve
10 Construction Justice. Thank you.

11 CHAIRPERSON DE LA ROSA: Thank you so much.

12 JOSE CARLOS ROSAS: (SPEAKING FOREIGN LANGUAGE)

13 CHAIRPERSON DE LA ROSA: Gracias, yes.

14 INTERPRETER: "My name is Jose Carlos Rosas and I
15 live in Queens. I worked four years for an affordable
16 housing contractor that benefited from City-
17 subsidized work. I got paid \$15 dollars an hour, and
18 I never had employer-paid health insurance. I was
19 doing dangerous demolition work, but I could barely
20 afford to survive. I struggled to provide for my
21 family's basic necessities like groceries and
22 clothing. My family and I all lived five people in
23 one room, myself, my wife and our three daughters,
24 because that was all we could afford. This was
25 especially difficult if one of us got sick. I used

1 public hospital services for my daughters, but when I
2 got sick I just stayed home and hoped for the best.
3 Many in my community do not qualify for most
4 government resources, and the ones they do qualify
5 for, they are scared to use. Some refuse to go to the
6 hospital and it cuts their life short.
7

8 I'll never forget the friends and family lost
9 during the COVID pandemic. It was then I realized
10 that quality health insurance could mean life or
11 death. Our company was mostly immigrants, but all
12 workers in the company were exploited. We got paid
13 just enough to keep coming back to work. The
14 companies benefited from the work we did, but they
15 never gave anything back to us to benefit our
16 families. Over a hundred of us in this company have
17 come together as "Demolicionistas" to fight for a
18 fair wage package with healthcare and retirement
19 security. We faced intimidation and retaliation. One
20 of my coworkers was unlawfully fired, and it took
21 over a year for him to be offered his job back.
22 Despite the unfair labor practices, we have not given
23 up. We are proud to join the thousands of
24 construction workers in this city fighting for
25

1 justice on affordable housing projects. (TIMER CHIMES)

2 We are worth at least \$40 an hour." Thank you.

3 CHAIRPERSON DE LA ROSA: Thank you so much.

4 RAYVON WHITE: Good afternoon, Council Members. My
5 name is Rayvon White, and I live in Bedford-
6 Stuyvesant.
7

8 I worked for an affordable housing general
9 contractor for eight years. When I returned from
10 prison, I started working in construction because I
11 had prior experience. I was proud to work on
12 affordable housing projects in my community, but I
13 felt stuck. The most I ever made was \$17.50 per hour.
14 In order to make ends meet, I had to work long hours,
15 which meant I couldn't see my kids a lot. I remember
16 missing Thanksgiving and other holidays to work,
17 because I needed the money so bad. At one point, I
18 bought a car, so I didn't have to take multiple
19 buses, but I had to give it up since I couldn't
20 afford the costs.

21 The job was sucking me dry. I was tired, worn-out
22 and exhausted. I did everything asked of me, but when
23 I asked for higher wages, I was ignored. And it
24 wasn't just me. These are the types of jobs that
25 people in my neighborhood have been offered. I saw a

1 big NYC logo on the job every day I went to work for
2 poverty wages. The City should be ashamed for
3 supporting exploitation.
4

5 My family struggled with rising rents the whole
6 time I was working on affordable housing projects. I
7 also didn't have health insurance, and I made too
8 much for Medicaid. I was always on edge about how
9 long I would be out of work waiting for the next job
10 to start.

11 I'd humbly ask those listening to consider if
12 they could focus at work if they had to constantly
13 worry about how to get medical care and food for
14 their kids?

15 Now I receive fair pay, and it feels like a huge
16 burden has been lifted off my shoulders. I am
17 actually saving money now, and I can make plans to
18 take my family on vacations.

19 Our city needs to invest in the construction
20 workers that build affordable housing. My community
21 already has too many poverty wage jobs. We now have
22 the opportunity to transform the lives of those from
23 communities like mine that need it the most. Please
24 pass this bill. Thank you. (TIMER CHIMES)

25 CHAIRPERSON DE LA ROSA: Thank you so much.

1 I just have two questions for Oona, and then will
2 go on to the next panel.

3 But given the significance of the wage standard
4 to HPD's portfolio, have you met with them to discuss
5 potential impacts?
6

7 OONA ADAMS: Thanks so much for asking.

8 Unfortunately, we did meet with HPD once, but then
9 HPD has functionally ignored eight months of requests
10 for substantive negotiations on the Construction
11 Justice Act.

12 Despite a nearly veto proof support for this
13 solution in the City Council, they're also
14 withholding basic data, which the City Council
15 themselves mandate be made public. The HPD
16 transparency bill, Local Law 44, is currently 19
17 months out of date, which prevents us from being able
18 to do anything to verify the idea that it would cost
19 \$500 million more. Who knows? Because the data isn't
20 there.

21 We have also filed Freedom of Information Act
22 requests for the wage data, which HPD is required to
23 collect from all of the contractors on these jobs.
24 Again, to say that wage data already has to be
25 submitted. I believe we filed our first FOIA for all

1 of these projects four years ago. And to date, we
2 have only received information on the prevailing wage
3 jobs. So we have no way to verify how much workers in
4 fact are currently being paid. HPD has data but
5 hasn't shared it with us.

6
7 So we were forced to do our own analysis. We
8 talked to some not for profit and for profit
9 affordable housing developers and did our own
10 internal analysis, and found that a \$40 an hour
11 compensation standard would result in a marginal
12 increase to construction costs of approximately 2%.
13 And this has to do primarily with the stuff that we
14 were talking... I was talking about earlier in terms
15 of increased productivity. Under this scenario, an
16 affordable housing project that is 200,000 square
17 feet would result in roughly a \$1.2 million increase
18 in hard construction costs - money which I just want
19 to reiterate, would go directly New York City
20 construction workers through the Local Hire
21 Initiative to the communities which need it most.

22 CHAIRPERSON DE LA ROSA: Thank you for your
23 answer, for your detailed answer. We did ask, as you
24 saw, HPD about the wage data, and intend on following
25 up. There are also members of HPD that are still

1 here, and I want to also simultaneously thank them
2 for staying. I think it is important for us have an
3 hear both sides of the conversation in this setting.
4

5 My next question for you, is how would neediest
6 communities benefit from this legislation in your
7 opinion?

8 OONA ADAMS: Sure. So every dollar increase that
9 goes into a low-wage workers pocket has an
10 exponential impact on local communities of color.

11 A 2021 study by Pinnacle Economics demonstrated
12 that if reentry construction workers in our city,
13 many of whom work in affordable housing, go from
14 earning \$17 an hour with no fringe benefits, which is
15 what we see affordable housing laborers making on
16 average, up to a \$40 an hour package, they would make
17 collectively \$300 million more in wages and benefits.

18 And according to the IMPLAN economic impact
19 model, this increased income would result in the
20 reinvestment of nearly \$300 million additionally in
21 sales \$99 million in income taxes into the
22 communities where they live.

23 CHAIRPERSON DE LA ROSA: Great. Gale has a
24 followup, thank you.

2 COUNCIL MEMBER BREWER: I guess because of the
3 data - lack of - you don't know when people say
4 they're affordable housing, that doesn't mean they're
5 affordable housing. In my world, if you're affordable
6 housing, you're nonprofit, and you're a 100%
7 affordable.

8 So I think when a lot of people are talking,
9 they're talking about people who say they're
10 affordable housing, but not really.

11 So, but you probably can't tell between - because
12 you don't have the data - those that are really
13 affordable, nonprofit, what they're paying, versus
14 those who say they're affordable... is that correct
15 that you...

16 OONA ADAMS: No, so, not to be disagreeable, but
17 the Local Law 44 data that we have looking backwards
18 from 19 months does delineate who the developers are
19 and we also keep our own data tracking all affordable
20 housing in the City for both for profit and not for
21 profit. So, we look up who the developer is and look
22 at their status.

23 The projects, which Justice cited, which we have
24 folks on, are 100% affordable housing projects.

25 COUNCIL MEMBER BREWER: Okay...

1 OONA ADAMS: They are not MIH, not 421-A, so when
2 we are talking here on these panels about affordable
3 housing, we are talking about projects which are 80%
4 to 100% affordable. Some are done with not for
5 profits, some not.

6 What I will tell you is, that we are out with all
7 of our organizing staff talking to workers, and there
8 is no differential in the wages.

9 So, there is a joint venture where we have an
10 organizer on right now, and the laborers are making
11 ,you know, \$17 to \$20 an hour. And that's... (CROSS-
12 TALK)

13 COUNCIL MEMBER BREWER: That's a nonprofit?

14 OONA ADAMS: That's a not for profit...

15 COUNCIL MEMBER BREWER: And you have found some of
16 the State projects that are 100% affordable,
17 nonprofit that they are paying \$40?

18 OONA ADAMS: No. So, only when they have...
19 (CROSS-TALK)

20 COUNCIL MEMBER BREWER: The State...

21 OONA ADAMS: done... I'm sorry, you said the
22 State...

23 COUNCIL MEMBER BREWER: The State as opposed to
24 the City.
25

1 OONA ADAMS: So, the State 485-x hasn't actually
2 taken effect yet... (CROSS-TALK)

3 COUNCIL MEMBER BREWER: No, I know, I understand
4 that...

5 OONA ADAMS: Yeah.

6 COUNCIL MEMBER BREWER: So, you haven't seen
7 anything that could be, that should be \$40, as a
8 nonprofit, 100% affordable, that's doesn't exist, is
9 what you are saying?
10

11 OONA ADAMS: So, we have the projects which
12 Justice mentioned earlier, I believe one of them is a
13 JV, is that correct, Justice, with RiseBoro, who is a
14 nonprofit?

15 JUSTICE FAVOR: Yes.

16 OONA ADAMS: Yes.

17 COUNCIL MEMBER BREWER: And, that one... (CROSS-
18 TALK)

19 OONA ADAMS: So, one of the projects is... All
20 three our 100% affordable to my knowledge, and one of
21 them is with a not for profit. And those are projects
22 where we have union laborers on the job at our
23 residential rate, which is actually, like, \$41 and
24 change.
25

1 COUNCIL MEMBER BREWER: That's helpful to me.
2 RiseBoro is a good organization.

3 CHAIRPERSON DE LA ROSA: Yeah, and the other one
4 was the Sendero Verde and Bronx Point, right?

5 OONA ADAMS: Yes.

6 CHAIRPERSON DE LA ROSA: And East Harlem and the
7 South Bronx.

8 COUNCIL MEMBER BREWER: Thank you.

9 CHAIRPERSON DE LA ROSA: Thank you all for, again,
10 sharing your stories and being a part of this panel,
11 it's very informative for us.

12 Up next, panel number three, we have Alvaro
13 Gonzalez Duran, Danny Coley, Steven Polizzi, and
14 Gilfredo Valentin.

15 And, we can begin this panel with Alvaro. I will
16 be right back.

17 (PAUSE)

18 ALVARO GONZALEZ DURAN: Good afternoon. My name is
19 Alvaro Gonzalez Duran. I'm a proud Local 79 member
20 and labor organizer.

21 Before I joined the Local 79 apprenticeship
22 program, I worked in non-union construction for
23 residential contractors who benefit from city
24 subsidies. I made near minimum wage without health
25

1 insurance from my employer. One day, my appendix
2 exploded, and I had to the hospital for emergency
3 surgery. Because I didn't have health insurance, I
4 ended up with almost \$30,000.00 in hospital debt.

5 I was already struggling financially with over
6 half my paycheck being spent on housing and
7 transportation. Many nights after work, I would sit
8 in the car and crying, because I didn't know how I
9 was survive with such low wages.

10 It wasn't until I received a \$40 per hour wage to
11 build housing that I finally had some breathing room.
12 I had health care, and I started saving up. After a
13 year, my wife and I bought our first house together,
14 and then I got married.

15 I am proud of the life I have built, but there
16 are too many people in my community who must accept
17 dead end jobs because there are no other options.
18 Bosses take advantage of workers, parole or
19 immigration status keeping them trapped in poverty
20 wage jobs. These jobs are often called low skill, not
21 because of the skill needed, but because of who does
22 the work.

23 It's unjust that some construction workers earn
24 triple or quadruple what other construction workers
25

1 are paid. A \$40 per hour minimum wage and benefit
2 compensation package would ensure that the lowest
3 paid construction workers who build city subsidized
4 affordable housing are lifted out of poverty and can
5 become part of the middle class.
6

7 We also can't forget the importance of essential
8 benefits for workers like me. New York construction
9 workers are uninsured at three times the rate of
10 other workers, yet we perform some of the most
11 dangerous jobs. Our bodies break down physically most
12 of us can work until we're 60 years old.

13 (TIMER CHIMES) We need retirement with dignity.
14 When workers don't have health care or retirement
15 contributions from their company, they are likely to
16 rely more on taxpayer funded resources and programs
17 from government.

18 Over the past decade, the City Council has passed
19 legislation to raise wages for fast food workers,
20 retail workers, taxi drivers, and app based delivery
21 workers. In 2019, the City Council set a new wage
22 standard, which is now above \$40 an hour for building
23 service workers on City financed affordable housing
24 projects. It is time to do the same for construction
25 workers. We need and deserve a minimum compensation

2 package of \$40 per hour. That's why I urge you to
3 pass Construction Justice, thank you.

4 DANNY COLEY: Good afternoon, ladies and
5 gentlemen. My name is Danny Coley, and I live in the
6 Bronx. My story is proof that creating good jobs in
7 affordable housing construction as possible, and as
8 necessary.

9 After joining the union, I worked on a 100%
10 affordable housing projects in Brooklyn with Local 79
11 where we got paid a just compensation package of
12 about \$40 an hour.

13 Before joining the union, I was paid minimum wage
14 on a residential job by a subcontractor that took
15 advantage of my incarceration history. It felt like a
16 dead end or a path back to prison, but my future
17 brightened after I got the job at 40 an hour.

18 My pay jumped from minimum wage with no benefits
19 to a good livable wage that includes health care and
20 retirement benefits. This job gave me something I
21 never had before - stability, the security of a
22 paycheck I can actually live on.

23 Now I have a career, and I can make the most of
24 my second chance, and I am proud to have helped build

1 hundreds of new affordable apartments of New York
2
3 City residents.

4 Workers like me are ready to build the housing
5 that New York City needs in the communities we come
6 from. Responsible developers are showing that you can
7 pay workers just wages without sacrificing
8 affordability. Let's get to work. We need
9 construction justice. Thank you.

10 CHAIRPERSON DE LA ROSA: Thank you.

11 STEVEN POLIZZI: Good afternoon, and thank you for
12 the opportunity to testify today.

13 My name is Steven Polizzi. I was born in New York
14 and I live in Far Rockaway. I previously worked for a
15 subcontractor on multiple affordable housing projects
16 in Brooklyn, Queens and the Bronx.

17 I specialized in core drilling and cutting
18 concrete. I knew that I wasn't going to get anywhere
19 working that job. I topped out making \$22 an hour
20 with no benefits meant that on a good month, I only
21 had enough to buy food and not get evicted. But, God
22 help me if I needed a doctor, or I needed a new pair
23 of boots. Every day was a test of survival. A
24 supervisor once told me to cut into a concrete wall
25 while standing in an excavation pit on an unsecured

1 wooden plank. When I said it was unsafe, I was told I
2 could go home and lose a day's pay, or get the job
3 done. I did my best to protect my safety, because I
4 needed to work to provide for my family.
5

6 A just wage standard on affordable housing jobs
7 would change lives for people like me. I faced a huge
8 amount of disrespect, and I believe that's partly due
9 to my company knowing about my incarceration history.

10 Regardless of my history, I am worthy of a just
11 wage for a hard day's work. We need to stop predatory
12 contractors from being parasites in our communities.
13 A \$40 wage standard would reflect the value of our
14 work, instead of being treated like garbage.

15 My life changed when I got a job that paid a fair
16 wage. The last few years have opened doors for my
17 family and changed our way of life. I don't worry
18 anymore about taking my kids out on the weekend and
19 what that would mean for paying my rent that month

20 Communities like mine need good paying jobs and
21 affordable housing more than ever. I urge you to pass
22 this bill, thank you.

23 CHAIRPERSON DE LA ROSA: Thank you so much. I do
24 have some questions for this panel... Oh, I'm sorry,
25 go ahead?

1 GILFREDO VALENTIN: Good afternoon, my name is
2
3 Gilfredo Valentin. I remember when I first started in
4 construction; I thought \$15 an hour was enough to
5 feed myself and my family. I had just been released
6 from prison, so it felt like a lot of money for me at
7 the time. I soon came to realize that it wasn't
8 enough. I was living check-to-check barely making
9 enough to survive. Sometimes I was going without
10 lunch, because I didn't have enough to cover my meals
11 for the week. I felt like I was being forced to
12 choose between paying for rent or buying groceries.
13 It was very disheartening. It was so much pressure
14 that I lost my ability to laugh. Later on I learned
15 that most of the sites I worked on then were new
16 affordable housing projects that received City
17 funding. All day I worked for a roofing contractor
18 and sweated over a hot kettle mixing tar and
19 spreading asphalt. I did the most for pennies on the
20 dollar, and I never received health insurance from
21 that company.

22 Now that I make at least \$40 an hour, I no longer
23 worry about putting food on the table. I don't feel
24 like I'm drowning anymore. I can finally breathe and
25 enjoy time with my family. For too long construction

1 workers like me have been paid poverty wages on tax-
2 payer funded projects. The City Council can change
3 this reality. It is time to do the right thing.
4 Affordable housing should be built with fair wages.
5 We cannot forget the importance of healthcare and
6 retirement savings. I know my worth, and it's at
7 least a \$40 package. I ask you to please support the
8 Construction Justice Act. Thank you.
9

10 CHAIRPERSON DE LA ROSA: Thank you all so much for
11 your meaningful testimony. At this point, you are
12 preaching to the choir, but it is important still
13 hear your stories, because we need to continue to
14 garner support and to have a complete picture of the
15 workers' lives that we are talking about - that hang
16 in the balance here.

17 I do have two questions for Alvaro. And this is
18 something that we have heard throughout the day,
19 right? About workers needing to apply for Medicaid,
20 to apply for food stamps, to actually live in this
21 city.

22 How many construction workers are using safety
23 net programs in your experience to try and get by?

24 ALVARO GONZALEZ DURAN: The UC Berkeley Labor
25 Center found that 41% of construction workers'

2 families are actually signed up for one or more
3 essential safety nets programs - Which comes at a
4 tune of \$2 billion a year, which basically means
5 we're subsidizing contractors who refuse to pay wages
6 to essential workers in the most dangerous sector and
7 industry.

8 CHAIRPERSON DE LA ROSA: Okay, thank you. That is
9 a sad reality that shouldn't be the case in one of
10 the richest cities in the world.

11 Thank you for being an organizer on the
12 affordable housing sector. I've seen you in Inwood. I
13 rolled down my window and said, "Hey!". And you're on
14 these sites. You have been talking to workers on
15 these affordable housing projects. What have you
16 heard from your counterparts?

17 ALVARO GONZALEZ DURAN: So what we... we're going
18 around all over throughout New York City, and the one
19 thing we're hearing is, you know, workers are making
20 anywhere from \$16 to \$25 an hour, which, in my
21 opinion, is you can't live anywhere with that wage.
22 Oftentimes, what we hear is that workers, you know,
23 they're not getting the medical coverage attached to
24 this. And also, you know, they're oftentimes afraid
25 to leave these jobs, because they can't afford to

1 miss a day. They can't afford, you know, because like
2 I said, they're not making great wages, so they're
3 not saving up. And a lot of times, we've heard that
4 some construction workers' parole status or
5 immigration status is held over their head, which
6 does, you know, when they when they want to speak up
7 about their wages or work conditions, this is hanging
8 over their head so they could be silenced, which does
9 keep them in jobs that are dangerous and have no
10 pathway to a future for them.

12 CHAIRPERSON DE LA ROSA: Great, thank you so much
13 for answering our questions and for, again, sharing
14 your stories. They are meaningful and we are
15 appreciative, thank you.

16 PANEL: Thank you.

17 CHAIRPERSON DE LA ROSA: Up next, we have fourth
18 panel. We have Hannah Chimowitz, Yesenia Mata, Gyasi
19 Headen, and Kris Kohler. And I hope if I messed up
20 your name you can correct it in the record.

21 Alright, shall we begin with Yesenia? Great...

22 YESENIA MATA: Good afternoon, Chairwoman. My name
23 is Yesenia Mata, and I am the Executive Director of
24 La Colmena, an immigrant rights organization based on
25 Staten Island.

1 At La Colmena, we work to empower immigrant
2 workers through education, culture, organizing, and
3 economic development. Through this work, we witnessed
4 firsthand how immigrant workers are often vulnerable
5 to discrimination, wage theft, and abuse.

6 Today, we are here to support the Construction
7 Justice Act, a critical step in shining a light on
8 the risk that construction workers take in building
9 affordable housing or in city projects.

10 It is vital that these workers receive fair pay
11 and recognition for the contributions, a principle we
12 emphasize regularly in our meetings, with our members
13 by reinforcing the inherent value of their work.

14 Immigrant workers are often overlooked in these
15 city projects, with many brought on as independent
16 contractors through their EIN numbers. They are a
17 fundamental part in building New York City through
18 city projects such as affordable housing.

19 This moment is about affirming that all workers,
20 regardless of immigration status, deserve fair wages
21 and protections.

22 Today, as immigrant rights organizations and
23 labor advocates unite, we send a powerful message -
24 No workers should be left behind.
25

2 I thank you for your time and support in standing
3 with us for justice and equity.

4 CHAIRPERSON DE LA ROSA: Thank you.

5 GYASI HEADEN: Good afternoon, Madam Chairperson
6 and members of Council. My name is Gyasi Headen, and
7 I am the Executive Director of Pathways to
8 Apprenticeship, an organization that helps
9 underserved and underprivileged individuals have
10 access to union career opportunities through pre-
11 apprenticeship.

12 I'm going read a testimony from one of our
13 partner organization Center for Employment
14 Opportunities:

15 "Hello, thank you for the opportunity to testify
16 in support of this legislation. To start, I want to
17 paint a picture for you regarding what it is like for
18 someone coming home from prison.

19 Thousands of people who leave prison and jail
20 every year and return to the city. Maybe some were
21 fortunate enough to have been part of a vocational
22 program, but most don't have access to those while
23 they're incarcerated. Regardless, you're going to
24 leave DOCCS (Department of Corrections and Community
25 Supervision) with \$200 and a bus ticket and have to

1 figure things out from there - Immediately need to
2 figure out ID and any other documents you need to
3 obtain employment before you can even start looking
4 for a job. You work hard to get connected to services
5 that can support you, and hopefully, this happens
6 within the first few weeks. But sometimes it takes
7 months. One of your biggest concerns is how you're
8 gonna make a living just to survive in a few first
9 weeks. You need income, and you need to find
10 opportunities that will provide that. To top it all
11 off, you are often dealing with parole restrictions
12 and requirements that make it hard for you to have
13 enough time to figure this out.

15 Meeting these basic needs is one of these things
16 that CEO focuses on first and foremost. We connect
17 people returning from incarceration to immediate
18 transitional employment and paid training
19 opportunities that allow people to get some immediate
20 income that helps them to stabilize before they start
21 looking for permanent employment. We prepare
22 thousands of people every year for a career
23 construction, because careers in construction work is
24 one of the opportunities that offers the most promise
25 to people. But, the biggest barriers to people

1
2 entering the industry is the lack of quality jobs
3 available to them. We know how critical construction
4 jobs offer justice impacted people. CEO (TIMER
5 CHIMES) has been partnering with Laborers Union to
6 get people into apprenticeships, and we see how life
7 changes for these jobs. But there aren't enough jobs.
8 We need to see more construction jobs in the city
9 with the \$40 floor for wages and benefits, and this
10 bill will ensure that happens.

11 We need to see justice impacted people directly
12 benefit from these jobs, and there needs to be
13 explicit language in this bill to make sure that that
14 happens. Signed Ken Edwards, Manager of Leadership
15 and Organizing Central for Employment Opportunities.”
16 Thank you for your time.

17 CHAIRPERSON DE LA ROSA: Thank you so much.

18 HANNAH CHIMOWITZ: Thank you, Chair De La Rosa
19 and Committee members for the opportunity to testify.

20 My name is Hannah Chimowitz, and I'm a Senior
21 Researcher and Policy Analyst for the National
22 Employment Law Project, or NELP, a New York based
23 national nonprofit that's been fighting for workers'
24 rights for 55 years.

1 NELP is a leading authority on fair chance
2 hiring, working closely with advocates and
3 policymakers to reduce barriers to employment for
4 people with arrest or conviction records. We strongly
5 support the Construction Justice Act.
6

7 Construction is one of few industries where
8 people with records can find work. Around one in four
9 recently incarcerated people who find employment work
10 in construction.

11 This bill will ensure that residents of NYCHA
12 developments and neighborhoods with higher poverty
13 rates will have access to construction jobs with good
14 wages and essential benefits.

15 Due to a public housing to prison pipeline that
16 fuels racialized economic inequality in the city,
17 incarceration rates and census tracts with NYCHA
18 developments are 4.6 times higher than in non NYCHA
19 neighborhoods, despite similar crime rates as these
20 residents are disproportionately impacted by the
21 criminal legal system.

22 This bill provides an opportunity to help break
23 the cycle of criminalization and financial
24 instability. People with records face major obstacles
25 to securing good jobs. Conditions of probation and

2 parole can also drive desperation and create intense
3 pressure for workers to accept any job they can find
4 no matter how unsafe or underpaid.

5 This bill will help ensure that city assisted
6 housing is not built using coerced labor of exploited
7 workers.

8 This bill provides a pathway to good construction
9 jobs for workers and communities that have been both
10 historically marginalized in the labor market and
11 targeted by the criminal legal system.

12 For these reasons, NELP strongly urges the
13 Council to pass the Construction Justice Act.

14 (TIMER CHIMES) Thank you for your attention and
15 consideration.

16 CHAIRPERSON DE LA ROSA: Thank you.

17 KRIS KOHLER: Good afternoon. My name is Kris
18 Kohler, I'm the Assistant Director of the Mason
19 Tenders' District Council PAC, and I'm going to be
20 reading the testimony of David Bolger.

21 "My name is David Bolger, and I'm the Business
22 Manager of the Mason Tenders District Council, a
23 Council of Labor Unions representing construction
24 laborers throughout New York City. I'm here to

1 testify in support of the Construction Justice Act
2
3 also known as the CJA.

4 I want to start by thanking New York City Council
5 Member Carmen De La Rosa for introducing the CJA and
6 championing this legislation among her colleagues in
7 the New York City Council.

8 At the Mason Tenders District Council, we believe
9 in raising wages and improving job quality for all
10 construction workers, not just our members.

11 The CJA is long overdue. It will create a much
12 needed \$40 per hour wage and benefit package that
13 strengthens and empowers New York's affordable
14 housing construction workforce as a whole.

15 Too many workers building affordable housing in
16 our city today barely even earn above \$15 per hour
17 and often receive no benefits - as we've heard
18 earlier. That's wrong and must change.

19 The CJA will transform the lives of thousands of
20 construction workers who are paid poverty wages and
21 exploited, especially those who are formally
22 incarcerated individuals, immigrants, and day
23 laborers. Indeed, this legislation will enable
24 construction workers who are part of the working poor
25 to become part of the middle class.

1
2 Across the five boroughs, New Yorkers who build
3 affordable housing perform dangerous jobs under
4 brutal conditions and often end up with long term
5 health problems. All of these workers should earn a
6 wage and benefit package of at least \$40 per hour for
7 their vital work, and they should be able to live in
8 the neighborhoods where they build affordable
9 housing.

10 Earlier this year, we were proud to play a lead
11 role in negotiating Affordable Neighborhoods from New
12 Yorkers, also called 485-x, a New York State
13 affordable housing tax abatement that includes a \$40
14 per hour minimum wage package for all construction
15 workers.

16 City government should take the same action now
17 and enact the CJA to create a \$40 per hour minimum
18 wage package for all construction and workers who
19 build city subsidized affordable housing.

20 Between the city and the state, there should be
21 consistency on the \$40 (TIMER CHIMES) minimum wage
22 package for affordable housing construction workers.

23 All construction workers building affordable
24 housing in New York City, whether the housing is
25

2 subsidized by the City or the State, should be
3 earning this \$40 per wage minimum wage package.

4 The CJA will help make that a reality and
5 complement recent state action that created a \$40 per
6 hour minimum wage package for 485-x.

7 It's time to end the unjust status quo in
8 affordable housing construction. It's time for the
9 City Council to pass the Construction Justice Act.”
10 Thank you.

11 CHAIRPERSON DE LA ROSA: Thank you all so much for
12 your testimony. I want to say that individually I
13 respect each and every one of you, the work that you
14 do, the organizations you represent, and for bringing
15 forward the struggles of your clients, or the people
16 that you are servicing every single day.

17 I just want to confirm, I am going to butcher the
18 name but, Gyasi?

19 GYASI HEADEN: Gyasi.

20 CHAIRPERSON DE LA ROSA: What's your last name?

21 GYASI HEADEN: Headen.

22 CHAIRPERSON DE LA ROSA: Headen? Okay, good, okay,
23 we got it, thank you, we just wanted to make sure.

24 Thank you, thank you all so much. Thank you for
25 coming.

2 So, our last in person panel is made up of Ismene
3 Speliotis, Barika Williams, Zachary Steinberg,
4 William Scarborough, and Christopher Leon Johnson.

5 CHAIRPERSON DE LA ROSA: (INAUDIBLE) everyone to
6 be on the panel, just give us a second.

7 UNKNOWN: I may be mistaken, but I don't think
8 Ismene is in the room.

9 CHAIRPERSON DE LA ROSA: Ismene Speliotis?

10 UNKNOWN: (NO MIC) She is on her way,
11 (INAUDIBLE)...

12 CHAIRPERSON DE LA ROSA: Yes, there is something
13 with the trains. Then we have Barika and Zachary. And
14 William is not here? William Scarborough?

15 UNKNOWN: (NO MIC) (INAUDIBLE)

16 CHAIRPERSON DE LA ROSA: I'm sorry? No, that's
17 Christopher.

18 CHRISTOPHER LEON JOHNSON: Yeah, can I go?

19 CHAIRPERSON DE LA ROSA: Hold on one second, we
20 are just making sure that everybody is here.

21 Okay, so, let's begin, go ahead.

22 CHRISTOPHER LEON JOHNSON: Hello. Good afternoon,
23 Chair De La Rosa.

24 My name is Christopher Leon Johnson. I used to be
25 a member of the (INAUDIBLE) BJ (INAUDIBLE) on the

1 East Side access as a shop steward at the
2 construction site, a public project. I think
3 everybody knows it as the Grand Central Station Long
4 Island Railroad.
5

6 So I'm here to show my support for Intro 910, the
7 Construction Justice Act. This is really needed
8 because, like I said, I used work on security on the
9 construction site, and I see what these guys go
10 through via Local 731. I think they're sister Union
11 to Local 79. And if anybody can correct me that,
12 they're their sister Union to Local 79, and they do
13 the railroads. But I see what they go through. I see
14 this this stuff they had to deal with, and they get
15 paid, like, \$25 an hour, which is a which wasn't even
16 2018, 2019, 2017 numbers, and 2020 numbers, that's
17 not a living wage. A living wage is, like, \$33 an
18 hour in New York City. You have to pay these guys \$40
19 an hour. I think they should, but we all know the
20 issue is that these general contractors, they don't
21 want to pay more than what they gotta pay for. So
22 they should fight for it, the \$40 an hour was needed
23 in this city, because the cost of living is getting
24 higher, especially if these guys are working on
25 affordable housing projects. And we all know majority

1 projects aren't really affordable, it's just the name
2 of it is affordable.

3
4 And relating to the other guy what the other guy
5 said about justice related individuals, yeah, you do
6 need them, but there's already bills or benefit
7 justice involved individuals, like the Second Chance
8 Act and... Second Chance and there's another bill,
9 like, Clean Slate. That's already benefitting justice
10 involved individuals that really expunge records if
11 you have a felony record. So, I don't know why they
12 complain like, these people complain about justice
13 involved individuals. That's the that's the thing.

14 So, these guys need it, these guys deserve this
15 bill to be passed in the City Council, and hopefully
16 the Mayor signs it, have a ceremony to sign this bill
17 because these guys need it. If he really cares about
18 the laborer, this bill is gonna go through with a
19 super majority, but this Mayor Eric Adams needs to
20 sign it, not just let it this pass without being
21 signed. (TIMER CHIMES) So, I gotta go, I know I'm
22 bouncing out of here. I gotta go through the it...
23 but if you're gonna ask me questions, you can, but
24 I'm going (INAUDIBLE)...

25 CHAIRPERSON DE LA ROSA: No, thank you so much.

1
2 Barika?

3 BARIKA WILLIAMS: Hi, Chair De La Rosa, my name is
4 Berica Williams, and I'm the Executive Director of
5 the Association for Neighborhood and Housing
6 Development or ANHD, and we represent more than 80+
7 housing nonprofit tenants organizing groups across
8 the city.

9 So ANHD agrees with the spirit and intent of
10 Introduction 910, particularly in valuing workers'
11 rights and ensuring fair wages, it's very important
12 to us. Many of our members are proud supporters of
13 things like the #JustPay Campaign around ensuring
14 COLA increases for human services, but we believe the
15 bill, as it stands in its current form, would hinder
16 our overall production and preservation of affordable
17 housing in New York City.

18 Our key concerns are the potential reduction in
19 affordable housing units; the adverse effect on
20 nonprofit developers; the adverse effect on MWBE
21 firms and subs; and the enforcement requirements that
22 resemble prevailing wage standards.

23 I wanna be really specific that we oppose,
24 because our concerns are about affording this without
25 significant capital funding for HPD, by this and

1 future City Councils, from which this bill makes no
2 commitment at this time. There is no money attached
3 to this bill. And so in its current form, it would be
4 unworkable for our affordable housing context.

5 To clarify for Council Member Brewer's previous
6 questions, this bill applies to all projects with HPD
7 subsidy. So it's not limited to those 485-x or MIH
8 units with only 20% affordable. So that would include
9 a 100% nonprofit projects. That would include
10 supportive projects. That would include a 100% DV
11 projects. That would include a 100% project based
12 voucher projects and affordable homeownership.

13 These are all things that we heard council
14 members bring up at last week's hearing on City of
15 Yes. We heard increase in affordable units, increase
16 in deeper affordability, more affordable house
17 homeownership. And I just... for us, as ANHD, we want
18 to make sure that the Council is very clear, that as
19 it stands right now without money, our members and
20 the affordable housing sector (TIMER CHIMES) would
21 not be able to hold consistent to the current
22 production numbers, let alone be able to meet those
23 significant increase in costs.
24

1 And I just want to name that while previous
2 testimony was citing a 2% cost in increase on the
3 projects, that is fundamentally not correct and not
4 how this is financed. That looks like a project by
5 project basis, and in reality what would happen is
6 each project would cost more, certain projects would
7 go ahead, and certain projects in some of your
8 districts would never happen.

9 That is the way LIHTC is financed, not the way we
10 finance an individual project, and we have to look at
11 both the systems and the individual project costs.
12 And so that's a big challenge for us.

13 I'll stop now, because I know I'm at the time.

14 CHAIRPERSON DE LA ROSA: Thank you so much for
15 your testimony.

16 ZACHARY STEINBERG: Thank you, Council Member.

17 REBNY has expressed its support for local
18 legislation that would establish an elevated minimum
19 wage standard and local hiring requirements for city
20 supported construction projects.

21 Based on this belief, REBNY was proud to reach an
22 agreement with the Mason Tenders District Council to
23 establish an elevated minimum compensation standard
24

1 for projects benefiting from what eventually became
2 the 458-x Program.

3 While it was not what was ultimately enacted into
4 law, Under the REBNY Mason Tenders agreement, all
5 workers on project will be guaranteed a wage and
6 benefit package that began at \$35 an hour, eventually
7 rising to \$43 an hour by 2033.

8 Notably, this agreement applied to private
9 contract, mixed-income residential development not
10 city supported affordable housing that often operates
11 on much tighter margins.

12 The REBNY Mason Tenders agreement recognized that
13 any wage standard must be calibrated so as not to
14 inhibit the ability of a project to move forward. If
15 a project becomes financially infeasible due to
16 higher regulatory burdens and costs, those same
17 workers will not have jobs, and the City will lose
18 out on the affordable housing it urgently needs.

19 The \$40 per hour standard in this legislation
20 will raise project costs, it will inhibit development
21 of projects that operate with very tight margins, and
22 it will reduce the overall amount of affordable
23 housing the City can support, and limit the ability
24 of the City to create more deeply affordable housing.
25

1 In addition, the proposed compliance regime will
2 pose significant challenges for many developers and
3 contractors, particularly smaller firms and MWBEs.
4 Many contractors on these projects are not familiar
5 or equipped to comply with the prevailing wage style
6 record keeping, noticing, and enforcement
7 requirements included in the proposal. Given that the
8 legislation imposes a minimum wage rather than a
9 prevailing wage, it would be reasonable to find ways
10 to reduce the significant compliance obligations in
11 the bill.

12 In addition, the bill could be improved through
13 other changes that are detailed in our written
14 testimony.

15 With the City already facing a severe housing
16 shortage and the Mayor's moonshot goal of 500,000 new
17 units, balancing the goals of this legislation with
18 the need for more housing and more housing capital
19 funding is critical.

20 REBNY looks forward to continuing to work with
21 the Council, the Mayoral Administration, and all
22 stakeholders on this important topic. Thank you.

23 CHAIRPERSON DE LA ROSA: I want to thank you both
24 for your testimony. Your points are well taken. And
25

1 ,you know, these hearings are meant to be a beginning
2 of this conversation. We are having this
3 conversation, because it is an important one to have.
4 I welcome continual dialogue. And I know our office
5 is working on setting up something specifically with
6 you all to have the conversation. But, I appreciate
7 the feedback you have given us and any other
8 suggestions or insight that you have, please submit
9 to the Committee so that we can review. Thank you so
10 much.
11

12 PANEL: Thank you.

13 UNKNOWN: (INAUDIBLE)

14 CHAIRPERSON DE LA ROSA: You can read it on the
15 record on her behalf, yes.

16 OONA ADAMS: Thank you so much.

17 "Good afternoon, my name is Ismene Speliotis and
18 I am the Executive Director of Mutual Housing of New
19 York (MHANY). MHANY is a non-profit owner, affordable
20 housing developer, property manager, marketing agent,
21 HUD-certified loan counselor and administrative
22 services entity. For decades, we've been working to
23 increase affordable housing opportunities by
24 identifying and implementing creative housing
25

1 development initiatives with a focus on preservation
2 and real deep affordability.
3

4 I am submitting this testimony to the City
5 Council in favor of Introduction 910, Chapter 36:
6 Community Hiring And Compensation Standards on City
7 Assisted Housing Development Projects. It is time to
8 replace dangerous low-wage jobs with safe, living
9 wage paying jobs with benefits. As a city we have an
10 obligation to protect all workers who build homes in
11 neighborhoods across the city. Living wage
12 construction jobs for every construction trade by
13 every employer must be the norm. Real affordability
14 in housing can go hand-in-hand with well paid,
15 documented construction and paid benefits.

16 I am suggesting some changes that I believe will
17 make the new legislation easier to implement for all
18 parties involved. Before outlining the reasons for my
19 support, I want to address one major issue that City
20 agencies and developers have brought up as a "non-
21 starter" for this legislation.

22 The opposition's position is that there will be a
23 dramatic increase in construction costs (upwards
24 of 30%) which will reduce the amount of
25 affordable housing the city can build each year and

2 productivity, less work stoppages, and as an industry
3 we will be able to demand lower insurance
4 premiums..." and it goes on.

5 CHAIRPERSON DE LA ROSA: You can just submit for
6 the record, and we will take a look at it. Thank you
7 so much.

8 OONA ADAMS: Thank you so much.

9 CHAIRPERSON DE LA ROSA: Thank you to all of you
10 who came here to share your thoughts and experiences
11 today. If there is anyone in the Chamber who wishes
12 to speak, but has not yet had the opportunity to do
13 so, please raise your hand and fill out the
14 appearance card with the Sergeant at Arms located in
15 the back of the room.

16 Seeing no hands raised in the Chamber, we will
17 now shift to Zoom testimony. When your name is
18 called, please wait until a member of our team
19 unmutes you. The Sergeant at Arms will indicate when
20 you may begin.

21 We will start with Robert Altman, to be followed
22 by Caesar Tobar.

23 SERGEANT AT ARMS: You may begin.

24 ROBERT ALTMAN: Am I unmuted?

25 COMMITTEE COUNSEL: Robert, we can hear you, yes.

1
2 ROBERT ALTMAN: I'm not going to read my
3 testimony, because it's predominantly... You have it
4 there in front of you, and you can look at it.

5 Couple of things -

6 I don't know if you have the latest version of
7 the testimony, but one of our members who does union
8 and nonunion jobs actually ran the numbers of what
9 this would cost. And he said that this would cost
10 \$40,000 per unit. That sort of seems to be a bit in
11 line with what HPD is talking about. If you run the
12 numbers, that's a substantial figure for the city of
13 New York.

14 Second thing, on 485-x, there's a lot of
15 misdescriptions on what was going on with 485-x. The
16 wage requirements, for example, only when in certain
17 areas of certain size of buildings - it's not in
18 every building - A lot of your affordable housing
19 projects are under a 100 units, especially in the out
20 outer borough areas of the City.

21 So, when you get down to it, 485-x, if it were a
22 485-x project in that area, which I understand this
23 doesn't apply to that, but if it was a similar type
24 building, the wage requirements of 485-x would not

1 apply. So, I thought that that was something that
2
3 needed to be brought out.

4 And finally, when we talked about this meeting at
5 our board meeting the other month, one of the first
6 things that got asked by a minority contractor was,
7 did anybody talk to the minority contractors before
8 this bill was written? And I don't have an answer for
9 him. So I don't know. But that's that was his
10 concern, because he felt this bill would not be
11 written the way it was if (TIMER CHIMES) (INAUDIBLE)
12 people who have gotten a substantial minority
13 contract.

14 SERGEANT AT ARMS: Thank you, your time expired.

15 CHAIRPERSON DE LA ROSA: Thank you, Mr. Altman.

16 The short answer to that question is, they are free
17 to reach out to our office. We have an open door
18 policy. I am happy to speak to any contractors or
19 anyone else who will be impacted by this legislation.
20 You can find our contact information online. I am
21 happy to meet with them.

22 Up next we have Caesar Tobar.

23 SERGEANT AT ARMS: You may begin.

24 CAESAR TOBAR: Hello there, my name is Caesar,
25 and I'm here testifying on behalf of the Bronx-wide

1 Coalition made up of community faith and labor groups
2 that have been working together over the last five
3 years to create a long term economic development plan
4 for the Bronx, grounded in racial justice and
5 economic democracy.
6

7 First, we support the Construction Justice Act,
8 because it's an important step towards building an
9 economy that allows workers to access dignified,
10 family sustaining jobs as they critically need
11 affordable housing for our community members.

12 The construction sector is an important driver of
13 our economy, and much of our current subsidized
14 housing being built in the Bronx is unaffordable to
15 the residents living in those neighborhoods where the
16 developments are happening. On top of that, it often
17 pays little wages to construction workers that make
18 these projects a reality.

19 The Construction Justice Act as important as they
20 will set clear standards in the industry and ensure
21 workers get a wage and benefit standards of above
22 (LOST AUDIO) (INAUDIBLE) an hour, investing in family
23 sustaining jobs important to transforming the lives
24 of Bronx workers. I strongly urge the Council to pass
25 the Construction Justice Act, thank you.

1 CHAIRPERSON DE LA ROSA: Thank you so much.

2 Up next we have Carina Kaufman-Gutierrez.

3 SERGEANT AT ARMS: You may begin.

4 CARINA KAUFMAN-GUTIERREZ: Good afternoon, Chair.

5 My name is Carina Kaufman-Gutierrez, and I'm the
6 Deputy Director at the Street Vendor Project. We are
7 a membership based organization of over 3,000 street
8 vendor members. And thank you for the opportunity to
9 testify today.
10

11 So, street vendors and construction workers have
12 a long had of partnership. Outside of almost every
13 construction site, street vendors are there to ensure
14 that workers have access to an affordable healthy
15 meal. And it's thanks to union organizing that
16 workers even have access to that break to enjoy their
17 vendor meal in the first place.

18 We are proud to support the Construction Justice
19 Act as part of the Construction Justice NYC
20 Coalition, a grassroots coalition of labor unions,
21 community based organizations, and worker advocates
22 that are committed to ending the exploitation and
23 unjust treatment of New Yorkers employed in the
24 construction industry.
25

1
2 SVP's members continue to hear from our community
3 about the routine exploitation of construction
4 workers by bad actors in the affordable housing
5 industry, which is why we are adding our voices to
6 the demands that our tax dollars be used to uplift
7 workers and not to further their struggles.

8 Construction workers who build affordable housing
9 are family members, our neighbors, and our customers,
10 and we see firsthand the exploitation that they face.
11 We know that low wages are one of the biggest
12 contributors to the housing crisis.

13 The Construction Justice Act ensures that every
14 dollar of City subsidy returns to our neighborhoods
15 through local hires and good wages that can build
16 generational wealth for working families. It raises
17 worker wages by setting a just wage on subsidized
18 housing, and it's exactly the type of legislation
19 that working New Yorkers need right now to fight
20 systemic poverty.

21 We commend the Committee for bringing forward
22 this bill, and we urge the swift passage of the
23 Construction Justice Act. Thank you again for the
24 opportunity to testify.

1 CHAIRPERSON DE LA ROSA: Thank you so much,
2
3 Carina.

4 Up next is Juan Nunez.

5 SERGEANT AT ARMS: You may begin.

6 JUAN NUNEZ: Good afternoon, everybody. My name is
7 Juan Nunez, and I am an organizer with the Northwest
8 Bronx Community and Clergy Coalition, and I'm
9 testifying today on behalf in support of the
10 Construction Justice Act.

11 (BACKGROUND NOISE) The Northwest Bronx, we are a
12 50-year-old member-led organization that is focused
13 on advancing racial justice and economic democracy.

14 We support the Act, because we need equitable
15 development in the Bronx and beyond.

16 This means that affordable housing being built in
17 the Bronx should be accessible to existing residents,
18 and should create high (INAUDIBLE) jobs with living,
19 wage, and benefits, our public dollars subsidizing
20 these projects to support the workers to access jobs
21 with dignity and take care of the families.

22 The Construction Justice Act will attach a wage
23 and benefit standard of \$40 per hour. These standards
24 will mitigate the routine exploitation of workers,
25 including those who are formally incarcerated, and

2 have the potential to transform the lives of Bronx
3 workers.

4 I strongly urge City Council to pass the
5 Construction Justice Act. There's so many affordable
6 housing units going on in our neighborhood that none
7 of our people could afford, none of us could apply
8 to. Providing folks to living wage would allow for
9 them to not just work, but I actually afford to live
10 in the borough that we're helping build. Thank you
11 for your time.

12 CHAIRPERSON DE LA ROSA: Thank you so much.

13 Up next we have Boubacar Sow?

14 SERGEANT AT ARMS: You may begin.

15 BOUBACAR SOW: (NO RESPONSE)

16 CHAIRPERSON DE LA ROSA: Alright, we are making a
17 final call for Zoom registrants who have not yet
18 spoken. If you are currently on Zoom and wish to
19 speak, but have not yet had an opportunity to do so,
20 please use the raise hand function, and our staff
21 will unmute you.

22 Seeing no hands, I would like to note that
23 everyone can submit written testimony to
24 testimony@council.nyc.gov for up to 72 hours after
25 the close of today's hearing.

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To conclude, I would like thank everyone who worked extremely hard to make sure that this hearing was a success. We want to thank the Administration for coming out and listening. And we also want to thank all of the workers who came out today to share their stories.

We would like to take a moment to express our thanks to all of the interested advocates who attended the hearing. And we thank you all for the work that you do. This is the beginning of a conversation, and we look forward to getting to a place where we can get this bill passed. Thank you all so much for coming.

This is hearing is concluded. (GAVEL SOUND)
(GAVELING OUT)

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. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date November 10, 2024