

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON PARKS AND RECREATION

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May 2, 2013  
Start: 12:45 p.m.  
Recess: 1:13 p.m.

HELD AT: 250 Broadway  
Committee Rm, 14<sup>th</sup> Fl.

B E F O R E:  
MELISSA MARK-VIVERITO  
Chairperson

COUNCIL MEMBERS:  
Council Member Elizabeth Crowley  
Council Member Julissa Ferreras  
Council Member James Vacca  
Council Member Daniel Dromm  
Council Member James G. Van Bramer

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

William Castro  
Manhattan Borough Commissioner  
New York City Department of Parks and Recreation

Jim Whalen  
Union Representative  
Teamsters 817, New York

Bernadette McCullough  
Representative for George Miranda

John Ingenari

Michael Odenthal  
Member  
New York City District Council of Carpenters

Kenneth Carrigan  
President  
Exhibition Employees Union, Local 829

James Conway  
Operating Engineers  
Local 14

Brendan Griffith  
Chief of Staff  
New York City Central Labor Council

Blythe Riley  
Representative  
Arts in Labor

John Clancy  
President  
Expo Advantage USA

Jeffrey Croft  
President  
New York City Park Advocates

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

Sanford Smith  
Event Producer

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2 CHAIRPERSON MARK-VIVERITO: We're  
3 going to get this hearing started. So, good  
4 afternoon to everybody that's here. I'm Council  
5 Member Melissa Mark-Viverito, Chair of the  
6 Committee of Parks and Recreation. Today we're  
7 going to be examining the managing of privately  
8 run events at Randall's Island Park and, I think,  
9 overall concerns in general of privately run  
10 events in parks in general. Randall's Island is  
11 run by the Randall's Island Park Alliance which is  
12 a 501c3 non profit organization. Actually, I do  
13 want to start off by just recognizing the Council  
14 Members that are here. We have Council Members  
15 Elizabeth Crowley and Council Member James Vacca,  
16 the Committee on Parks and Recreation for today,  
17 Thursday. So, we're going to be examining the  
18 managing or privately run events in the Randall's  
19 Island Park. Again, Randall's Island is run by  
20 the Randall's Island Park Alliance which is a  
21 501c3 nonprofit organization. RIPA [phonetic] has  
22 a license agreement with the Parks Department to  
23 maintain Randall's Island and provide programming  
24 within the park. On December 24<sup>th</sup>, 2012 RIPA and  
25 the Parks Department renewed their license

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2 agreement for an additional ten year term. The  
3 license agreement grants RIPA with the authority  
4 to use, occupy, maintain programs and operate  
5 Randall's Island. The numerous events taking  
6 place at the park throughout the year include  
7 numerous sporting events, music festivals and art  
8 fairs. One recent event that has generated a bit  
9 of controversy is the Frieze Art Fair. Frieze is  
10 a British based arts publication that sponsors an  
11 organizes several art fairs in both the United  
12 Kingdom and in New York City. For the second year  
13 running from May 10<sup>th</sup> through the 13<sup>th</sup> the fair will  
14 include selections from approximately 180  
15 contemporary art galleries from around the world.  
16 To house the fair a 250,000 square foot temporary  
17 tent is being constructed utilizing about 500  
18 workers and over 1,000 tractor trailers. It is  
19 claimed to be one of the largest outdoor temporary  
20 structures in the world. Since the fairs  
21 inception in 2012 it has generated controversy  
22 over the labor practices used in running the event  
23 and constructing and setting up the event space.  
24 Various labor unions have claimed that Frieze has  
25 employed non union workers, many of whom are based

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2 out of state. Additionally, it has been alleged  
3 workers have not been paid wages comparable to  
4 those of union workers. Carpenters on the  
5 project, for example, earned \$15 to \$16 per hour  
6 without benefits while carpenters in union jobs to  
7 which the local prevailing wage applies can  
8 normally earn about \$86 an hour including  
9 healthcare and benefits. For their part, Frieze  
10 has responded to these claims by saying that they  
11 are not in a labor dispute with any collective  
12 bargaining organization and that they have never  
13 had a dispute with any union or any of its  
14 employees. Frieze also stated that they have a  
15 track record of working with mainly local vendors  
16 with the appropriate skills and experience to  
17 prepare Randall's Island for the fair.

18 Unfortunately, Frieze has chosen not to appear at  
19 today's hearing. We do have a statement from them  
20 which we will be submitting for the record. I  
21 hope this hearing can give the Council a clear  
22 picture with what is actually going on regarding  
23 this fair but also with other private events held  
24 at city parks. As we all know there is a growing  
25 trend towards having the city's parks events and

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2 even the parks themselves run by private  
3 organizations that are licensed or contracted by  
4 the City. If that trend continues the City must  
5 at the very least ensure that those who work on  
6 these projects are paid fairly and make good faith  
7 efforts towards ensuring that jobs are targeted to  
8 local workers since projects that occur within the  
9 city's boundaries primarily create jobs for the  
10 local workers first. So, I look forward to  
11 examining this issue in greater depth today. I'd  
12 like to welcome - - the Administration and we also  
13 have representatives of different entities here  
14 that will testify. Again, we are looking at the  
15 Frieze event but we're also looking at this as a  
16 greater issue overall within the Park's system.  
17 Some specific questions will be asked of the  
18 Administration to that effect using this as an  
19 example. So, I want to thank everyone that is  
20 here. We've also just been joined by Council  
21 Member Jimmy Van Bramer, so thank you for coming.  
22 And with that, I know that the first panel will be  
23 our representative from the Parks Department which  
24 is Bill Castro, the Manhattan Borough Commissioner  
25 and with that, I'll let you. I think - - I have

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2 to, it's in the back, I think. Yes, there you go.  
3 It's on.

4 MR. WILLIAM CASTRO: Okay, good  
5 afternoon. Thank you very much, Madam Chair.  
6 Good afternoon, Chair Mark-Viverito and Members of  
7 the Parks and Recreation Committee of the City  
8 Council. My name is William Castro. I am the  
9 Manhattan Borough Commissioner for the New York  
10 City Department of Parks and Recreation. I'm  
11 joined here today by Deborah Marr of the Randall's  
12 Island Park Alliance who has submitted a statement  
13 on behalf of our public/private partner. Parks  
14 has asked the Alliance to submit a statement and  
15 allow Parks to address the Council today. I'm  
16 also joined by our Deputy Commissioner for  
17 Community Outreach, Larry Scott Blackman, our  
18 Director of Government Relations, Karen Becker  
19 [phonetic] and our Chief of Staff from Manhattan  
20 Parks, Steve Simon. In 2012 the Parks Department  
21 issued some 10,000 special event permits, 5,500 of  
22 them in Manhattan alone and 160 permits for a  
23 variety of events on Randall's Island alone.  
24 Parks requires a special event permit for any  
25 gathering of more than 20 people on parks, whether

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2 it's for a birthday party for 21 people or a major  
3 concert on the great lawn with 60,000 people in  
4 attending. Now, events that will have more than  
5 500 attendees or that are promotional or  
6 commercial in nature are handled by our citywide  
7 marketing and special events office at the Parks  
8 Department. And there were 735 such events last  
9 year, a considerable number. Now, because of  
10 their size and complexity Parks requires  
11 additional items to be obtained before a event  
12 permit can be issued. Some of these additional  
13 required items include but are not limited to a  
14 formal contract between the Parks Department and  
15 the producer, a site fee based on our concession  
16 fee schedule, a damage bond and insurance. And  
17 depending on the type of event additional city  
18 agency permits from the Health Department, Fire  
19 and Police Departments may also be required. Now,  
20 if a special event plans to sell food or  
21 merchandise on site a temporary use authorization  
22 contract or permit is required, such as the one we  
23 issued for the Frieze art fair. The fee is  
24 calculated for this permit and that takes into  
25 consideration several items that include but are

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2 not limited to the number of vendors, the average  
3 price of items being sold and the estimated  
4 attendance. Once all of these items have been  
5 obtained and the appropriate site visits by our  
6 managers have taken place and site maps and  
7 production schedules have been produced a special  
8 event permit is generated. This process outlined  
9 above is the same process that happens in every  
10 borough across the agency for all special events  
11 and it's the same process that was followed for  
12 permitting the Frieze art fair. Parks special  
13 event agreements are between the Parks Department  
14 and the permit holder and they authorize the  
15 permit holder to use a portion of our property for  
16 a limited time for a particular, specific purpose.  
17 The Parks Department has never told holders of  
18 special events permits whom they must contract  
19 with as most of the permitted are private entities  
20 and do not use government funds. This policy has  
21 been followed for decades by many different  
22 administrations. This also allowed groups to  
23 organize their events in a way that works for them  
24 and ultimately for the City. It allows a wide  
25 variety of events to be presented in parks, road

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2 races, concerts, festivals, movies, plays,  
3 sporting events, health fairs, youth events and  
4 many others. I'd like to make an important point  
5 which I hope clears up some misconceptions. The  
6 temporary use authorization for the Frieze art  
7 fair is just that, temporary. There's no longer  
8 term agreement between the Parks Department and  
9 Frieze. There's no ten year agreement as we've  
10 seen reported. It's nothing more than an  
11 agreement for 2013 that authorizes the Frieze art  
12 fair to use a portion of Randall's Island for the  
13 five days of its event and during its set up and  
14 removal of work. To put that in perspective,  
15 Randall's Island Park is nearly 500 acres. The  
16 Frieze art fair is permitted to use less than 25  
17 acres of the park and this is an area that is  
18 designated for large scale events. It's not used  
19 for anything else. It's our special events site.  
20 And it includes an area set aside for parking.  
21 This is less than six percent of the actual park  
22 and during this time the event is being set up,  
23 taking place, being broken down and moved out, all  
24 those things necessary for large events. All the  
25 usual events and programs and activities at

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2 Randall's Island take place without any change or  
3 effect on them from track meets at Icon Stadium  
4 nearby to nature walks, bike rides, picnics, the  
5 ballgames on 66 fields. A lot of what was put  
6 into this to make it so that everything can work  
7 at the same time. It's also important to note  
8 that the City benefited significantly by adding  
9 the Frieze art fair to our list of events in 2012.  
10 And I really want to say this, you know, most  
11 cities, I can't think of any city probably and  
12 town, they would love to have an event of this  
13 type. It's an international event, it's one of  
14 the top, in the top three of international art  
15 events that brings 45,000 visitors to this event  
16 last year and we expected the same number or more  
17 this year. It's a major, major event which brings  
18 a lot of jobs, dollar, to the city and it's a  
19 major event that any city would love to have.  
20 Now, during it's first year, as I said, at  
21 Randall's Island last May around 45,000 visitors  
22 came from around the United States and, of course,  
23 around the world. The visitors paid for  
24 accommodations totaling more than 47,000 hotel  
25 nights and, of course, they also spent money in

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2 restaurants, theaters, the usual things that our  
3 visitors like to do. So, that was really great  
4 economic benefit for the City. This year, the  
5 Frieze art fair has strengthened its connections  
6 to New York and New Yorkers. The fair has lined  
7 up numerous art institutions and non profits as  
8 cultural and community partners for the event.  
9 Among these are the Metropolitan Museum of Art, El  
10 Museo del Barrio, MOMA PS1, Studio Museum of  
11 Harlem and the Whitney Museum. In addition, the  
12 fairs New York City based non profit partners  
13 include the Storefront for Art and Architecture,  
14 the Dia Art Foundation [phonetic] and the Calder  
15 Foundation [phonetic]. I'm also especially  
16 pleased to tell you that Frieze has initiated an  
17 outreach program to public schools in all five  
18 boroughs to expose students to a wide range on  
19 contemporary art in a very unique setting and we  
20 expect at least 600 New York school children to  
21 take part in guide class trips to see the art this  
22 year. Finally, Frieze showcases a free outdoor  
23 sculpture park during the event alongside the  
24 river at Randall's Island Park that is open for  
25 everyone to attend and to enjoy. Randall's Island

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2 is, has had a long history of hosting large events  
3 like Frieze art fair, is uniquely situated to  
4 accommodate large groups and Parks continues to  
5 strive to balance the use of our green spaces to  
6 allow for quiet enjoyment, active recreation and  
7 then those larger cultural and community  
8 gatherings which has been done historically in our  
9 parks. Parks is grateful for our partnership with  
10 the Randall's Island Park Alliance. It's a  
11 wonderful nonprofit organization founded over 20  
12 years ago to work with local communities and the  
13 Parks Department to help maintain and improve  
14 Randall's Island. The Alliance has worked with  
15 the Parks to secure close to \$250 million for  
16 capital improvements to the islands facilities  
17 since 2000. It's an incredible park for people to  
18 use for sports and entertainment. It's one of the  
19 leading track facilities to Icon Stadium where we  
20 have both the public school, independent or  
21 private schools, the catholic schools needs track  
22 meets every year. It's the place where they go  
23 and this is the kind of thing we want to be able  
24 to provide, enhanced sports facilities for our  
25 city's youth. And I'd be happy to answer any

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2 questions that you have and thank you for inviting  
3 me here to testify today.

4 CHAIRPERSON MARK-VIVERITO: Thank  
5 you, Bureau Commissioner and we've been joined by  
6 Council Member Julissa Ferreras. So, I want to  
7 just get to a couple specifics, I mean, you know,  
8 this gets to be very complicated. And obviously,  
9 the temporary agreement that you mentioned for  
10 this event is issued between Parks and the event  
11 organizers. But there is a conservancy that is  
12 supposed to be in charge of maintaining and also  
13 operating and managing events on Randall's Island.  
14 So, at what point, what's the determining factor  
15 when it is that you as Parks engage in that  
16 agreement directly versus the conservancy engaging  
17 in those agreements directly. How often does that  
18 happen?

19 MR. CASTRO: It happens all the  
20 time. I mean, the Parks Department is the entity  
21 that has the authority to issue a special event  
22 permit and a temporary use authorization permit.  
23 As they said earlier, you know, if it's a birthday  
24 party, let's say, that's the smallest thing. We  
25 give permits out all the time, thousands of those,

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2 and to neighborhood events and things of that  
3 nature, relatively small things. So we issue a  
4 special event permit for that. And we'll meet  
5 with them, even small things sometimes if they  
6 seem a little bit bigger than a birthday party,  
7 for example. As they get bigger or if there's  
8 something sold there, food or other commercial  
9 items are sold then this, as I said, or it's  
10 larger than 500 than it goes, it elevates to our  
11 citywide special events office where they use a  
12 temporary use authorization permit. And this is  
13 something that gets into more detail as to, and it  
14 also includes a fee for selling something on  
15 parkland so that the city is compensated. And  
16 it's been done for many, many years. So the, so  
17 our Parks Department people at the - - from our  
18 revenue division do the negotiations and the  
19 discussion with them. They may be aided and work  
20 in concert, obviously, with the Randall's Island  
21 Park Alliance or by the authority of the Parks  
22 Department by the, only the Parks Department can  
23 issue those permits.

24 CHAIRPERSON MARK-VIVERITO: Okay,  
25 so that's what I was going to ask next.

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MR. CASTRO: Yeah.

CHAIRPERSON MARK-VIVERITO: There's no situation where the conservancy, Alliance or a partnership issues those agreements? That comes directly from Parks?

MR. CASTRO: That is correct.

CHAIRPERSON MARK-VIVERITO: And then you indicate in your testimony that you had 10,000 special events permits any given year and that you talk about 160 at Randall's Island specifically. But you mention 735 events that were handled by they citywide marketing and special events office. So, safe to assume that those 735 events on parkland were all revenue generation?

MR. CASTRO: Yes.

CHAIRPERSON MARK-VIVERITO: Okay.

And--

MR. CASTRO: [interposing] Just in a, not, I'd have to check. Some of them may just be because of the nature of its size. But I would have to check and I'd get back to you before the hearing ends on that.

CHAIRPERSON MARK-VIVERITO: Okay.

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2 I see somebody else shaking their head. So, we  
3 will get some clarity.

4 MR. CASTRO: Yeah, I don't think  
5 so. They, as I said in my statement, if it's more  
6 than 500 people than the temporary use  
7 authorization permit is issued. So, it does not  
8 always have to be revenue generating but many of  
9 them are.

10 CHAIRPERSON MARK-VIVERITO: Okay,  
11 and then you indicate in your testimony that the  
12 Parks Department has never told holders of special  
13 events permits whom they must contract with as  
14 much, as most of the permittees are private  
15 entities and do not use government funds. I would  
16 beg to differ, if they're using park land that is  
17 a government fund to some extent. There's an in  
18 kind amount that I would think that that's worth.  
19 So, I would beg to differ with that point and  
20 whether or not, I guess, that is a question  
21 specifically about Frieze which is what we're  
22 talking about but also, I think it relates to  
23 other events, whether or not there is a level of  
24 intervention that Parks could have as a City  
25 agency to try to encourage these events to hire

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2 locally, to give local jobs. You know, we talk  
3 about trying to get people working, decent paying  
4 and being able to provide for their families. But  
5 you're saying that you don't intervene because  
6 these are private entities and don't use  
7 government funds. Well, wouldn't you say that  
8 using parkland is a government fund to some  
9 extent, there's a value to that.

10 MR. CASTRO: No, I wouldn't really  
11 say that, just because I don't believe it is. But  
12 we're happy to have event organizers have union  
13 labor, many of them do. It's fine. I mean,  
14 we're, that's perfectly fine with us. A lot of  
15 groups have volunteers, road races and things of  
16 that nature and community things and they use  
17 volunteers for that and that's fine with us too.  
18 Some hire union labor, that's great, we have no  
19 problem with that. A lot of the concerts, rock  
20 concerts, they hire union labor and that's  
21 terrific. We, that's fine with us. But we  
22 don't--

23 CHAIRPERSON MARK-VIVERITO:

24 [interposing] I would hope that's fine.

25 MR. CASTRO: It is. We don't--

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2 CHAIRPERSON MARK-VIVERITO: --but  
3 my, I would hope it's fine.

4 MR. CASTRO: It's not a problem.

5 CHAIRPERSON MARK-VIVERITO: My  
6 question is--

7 MR. CASTRO: [interposing] That's  
8 great.

9 CHAIRPERSON MARK-VIVERITO:  
10 Understand, Borough Commissioner, my question is  
11 to whether or not what level of engagement,  
12 active, proactive engagement does Parks engage in  
13 with these entities to encourage that because that  
14 is something, again, these are local jobs and  
15 really it's something that I think we should use  
16 the leverage of our authority as an entity, as an  
17 agency, as a city, to encourage that kind of  
18 partnership and encourage them to do that. So, do  
19 you, does the Parks Department do that?

20 MR. CASTRO: No, we don't and over  
21 many administrations and over a decades the Parks  
22 Department has never done that. And it seems to  
23 have worked well. It, as we said, it allows these  
24 groups who are there on their own accord to do  
25 events of a wide variety. As we all know, anybody

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2 who lives in New York knows there are all sorts of  
3 events in New York and it's worked well and as I  
4 said, over decades and decades of generations,  
5 this is the way the city has done it and its  
6 worked well. So, you know, we continue. But  
7 we're happy to have, whether its volunteers or  
8 union labor or whatever it is, that's fine.

9 CHAIRPERSON MARK-VIVERITO: Well, I  
10 think the other aspect that comes into question  
11 here is also because of the size of the event. I  
12 mean, we talked about that this is probably one of  
13 the largest in the world which was of this kind of  
14 structure. So, obviously, safety issues, right?  
15 To make sure that the construction of that tent,  
16 as you're erecting it, as you're understanding  
17 that you have to get the permits and all that, but  
18 that the labor and the people that are doing that  
19 work are skilled to a point where they are  
20 inviting safety and doing it in a safe way and not  
21 putting anyone in jeopardy. So, to what extent do  
22 you as an agency have oversight to ensure that  
23 that is happening?

24 MR. CASTRO: Well, I agree with  
25 you, that's extremely important and the Buildings

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2 Department must inspect and issue the necessary  
3 permits for any structure that falls under their  
4 purview, which is virtually any kind of structure  
5 with the various, I think, structures under 400  
6 square feet or something like that, I think is  
7 exempt. But so, the Buildings Department takes it  
8 very seriously, they go and check these things  
9 and, you know, it doesn't have to be a very large  
10 structure to be a safety concern in a sense that  
11 you want to make sure it's safe. So, we have a  
12 lot of different set ups over the five boroughs  
13 and the Buildings Department works very hard at  
14 this and they are the ones, they're the experts,  
15 we're not, at determining whether it's safe and if  
16 it's to standard and they will not allow it to  
17 happen if it is not.

18 CHAIRPERSON MARK-VIVERITO: So, I  
19 have two quick questions and I know that Council  
20 Member Crowley has questions but just going to  
21 that issue, 'cause we all know the state of our  
22 agencies, right? We have a fiscal situation where  
23 there's been a cut in staff, sometimes oversight  
24 maybe is not as aggressive as it should have been.  
25 In the case where you have this temporary

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2 agreement with Frieze, and my understanding based  
3 on my quick review, again, we got this around 10  
4 o'clock at night, but I think the agreement  
5 indicates that who is responsible for getting the  
6 permits, for ensuring that they're complying with  
7 all the laws and all the process--

8 MR. CASTRO: [interposition] Frieze  
9 is. Frieze is responsible.

10 CHAIRPERSON MARK-VIVERITO: Okay.  
11 And then so who is doing the level of oversight to  
12 ensure that they are getting, I mean, they are  
13 getting and following?

14 MR. CASTRO: The, both the Parks  
15 Department Managers and RIPA can work with us,  
16 that's fine. The Parks Department is ultimately  
17 responsible 'cause the contract is with Parks  
18 Department. And they, we oversee it and also, of  
19 course, the necessary agencies but it's up to us  
20 to make sure that those, we have those permits  
21 from those agencies that Frieze has secured them.  
22 And that states clearly in the temporaries that  
23 there's a lot of words in the TUA, a lot of it is  
24 boilerplate, of course, in any agreement there is  
25 a lot of that. So, but it's very clear about

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that.

CHAIRPERSON MARK-VIVERITO: Then the last question referred to is over to Crowley, Council Member Crowley. When you have these types of events which are so large, you're obviously charging a fee. I saw the structure of the fees and, you know, to them that they have to pay \$250,000, whatever it is.

MR. CASTRO: \$200,000 generally.

CHAIRPERSON MARK-VIVERITO: \$200,000, but do you ask some sort of a report back from the entity that is organizing this event about how much revenue they generated as a total? Do you know how much money was made by Frieze and do you base the fee on a percentage of the revenue or is this a flat fee? I mean, like, I'm just trying to understand that.

MR. CASTRO: Right, it's a good question. Let me check on that, on that specific thing. With concessions we do, obviously. We base it on revenue. I have to check on whether we do that in this case, I'd be happy to, before the hearing is over to get that information for you.

CHAIRPERSON MARK-VIVERITO: Good.

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2 'Cause I was just looking, you know, in terms of  
3 the Frieze entry, right? One day pass, \$42.

4 MR. CASTRO: Right.

5 CHAIRPERSON MARK-VIVERITO:

6 Students, \$26, one day plus catalog, \$75. I would  
7 daresay that for the surrounding communities,  
8 which I represent that's a high fee. And I'd love  
9 to know how many people within the surrounding zip  
10 codes are participating in these events and, you  
11 know, considering that the park is basically or  
12 aspects of the park, and I understand you said six  
13 percent but still aspects of the park are being  
14 provided for this, whether there's also a way that  
15 you can construct these TUA's that there has to be  
16 either A, free entry for people that live in the  
17 surrounding zip codes or something that is much  
18 more reasonable because that definitely is not for  
19 an individual or a family if they want to avail  
20 themselves to this event and I think that that's  
21 something that, you know, we have concerns about  
22 is that not only are these private events taking  
23 parkland offline and I believe there's a cost that  
24 that, you know, should be considered in what you  
25 factor in terms of the, what the City is providing

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2 for these events. But then in terms of being able  
3 to access them as well, that's an issue that comes  
4 up consistently.

5 MR. CASTRO: No, it's a fair  
6 comment. Id' be happy to have us look at that and  
7 see what we can do about that. It's a good  
8 question.

9 CHAIRPERSON MARK-VIVERITO: Yeah,  
10 because I think, you know, that's definitely  
11 something. I'll turn it over now to Council  
12 Member Crowley for some questions.

13 COUNCIL MEMBER CROWLEY: Okay,  
14 thank you Chair Viverito. My first question is  
15 what would happen on that weekend if the  
16 particular Frieze gallery event wasn't happening  
17 there?

18 MR. CASTRO: There would probably  
19 be nothing there. It's, as I said, it's a, sort  
20 of like a fairground, you know, or old fashioned  
21 notion of a fairground in parks in towns and  
22 cities. When you said a designated an area for  
23 when the circus comes to town or whether there's,  
24 you know, some big thing or the county fair,  
25 whatever. There's a big open area so that you're

1  
2 not disrupting the other parts and do all the set  
3 up and all the ancillary things that typically you  
4 can do. And that's what it was designed to do.  
5 So, you can walk on it, I mean, how can, but  
6 there, it's not something that there's much that  
7 goes on there.

8 COUNCIL MEMBER CROWLEY: And so the  
9 most similar type of event you would compare it to  
10 would be a circus?

11 MR. CASTRO: I'm sorry?

12 COUNCIL MEMBER CROWLEY: Would it  
13 be a circus, the most similar type of parks event?

14 MR. CASTRO: I wouldn't say it  
15 would be a circus. I would say some kind of  
16 festival or fair, I would, it's a fair. It's  
17 where you go to buy things and eat food and have a  
18 good time. And it's contemporary art from living  
19 artists. It's, as I said, any city that I can  
20 think of would love to have it. It would be, you  
21 know, we're lucky here in New York. We have a lot  
22 of events but this is really remarkable. New York  
23 is sort of the center of art. I'm not an expert  
24 on it but that's what I'm hearing. In the world  
25 it's certainly one of the top so it makes sense

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2 and, as I said, they are working with a lot of  
3 local artists and art galleries. It generates a  
4 tremendous amount of income towards and for the  
5 city. It's a great benefit and any other city  
6 would be dying to have something like this 'cause  
7 it would be a tremendous shot in the arm for their  
8 economy and it certainly helps us.

9 COUNCIL MEMBER CROWLEY: Is there a  
10 way to bring people to the island more efficiently  
11 because of that weekend? Does the City do more  
12 bus tours or is there ferry service?

13 MR. CASTRO: Yes. That's a very  
14 good question. We have a ferry service that  
15 leaves from, I think it's East 34<sup>th</sup> Street, I  
16 believe on the East River. There's a shuttle  
17 service that leaves from the East Side. There's  
18 adequate parking. So, they do a number of things  
19 and--

20 COUNCIL MEMBER CROWLEY:  
21 [interposing] And who maintains the parking  
22 regulations?

23 MR. CASTRO: There's a concession  
24 that is with the Randall's Island Park Alliance.

25 COUCNIL MEMBER CROWLEY: For this

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Frieze corporation is what I, are we saying it correctly? Is that the name of the group?

MR. CASTRO: Yeah, that's...

COUNCIL MEMBER CROWLEY: So they have to subcontract with certain vendors, The Parks Department has already at Randall's Island?

MR. CASTRO: No, they don't really do that, no. They get no income from the parking. That's all separate.

COUNCIL MEMBER CROWLEY: But you monitor the parking?

MR. CASTRO: Yes, we do.

COUNCIL MEMBER CROWLEY: So then they build stages, I guess? Why would they need carpenters?

MR. CASTRO: They build a very large then. It's, I think it's about 250,000 square feet. It's a serpentine tent. It's designed by this architecture firm, local architecture firm, I believe, in Brooklyn. A very well known and they do a tremendous design as openings onto the Harlem River and so you can see the park. It's quite something and it allows the art dealers from all over the world and from New

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2 York to come and in a series of booths, any time  
3 you've been to something, expos like the Javit's  
4 Center or other places it's along those lines.  
5 And that allows people to see a tremendous amount  
6 of contemporary art from around the world here in  
7 New York and to purchase it and or just admire it,  
8 if they wish. And it's quite a thing and it's  
9 local food restaurants, local restaurants are  
10 engaged and it's a great festival. It's a  
11 wonderful thing. It's one of those special  
12 things. And you have it on an island which is  
13 good and then you don't have all the crazy traffic  
14 that we have enough of in New York getting worse  
15 by having it in a, you know, some other area and  
16 then that congested help, takes it away. And  
17 Randall's Island is designed, to some extent, with  
18 the stadium to allow to have big events. We have  
19 big rock concerts and other events there. We have  
20 festivals.

21 COUNCIL MEMBER CROWLEY: But  
22 earlier you said that when those rock concerts  
23 come into town they're usually union jobs?

24 MR. CASTRO: Those are, yes, mm-  
25 hmm.

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2 COUNCIL MEMBER CROWLEY: So this is  
3 really the only event that you have on Randall's  
4 Island that would employ non union labor doing  
5 serious things like building stages or building  
6 tents, things that can fall down and hurt people?

7 MR. CASTRO: I don't think so. I  
8 mean, I'll double check on that. But no, we have  
9 a variety of others that do not use union. Some do  
10 and some don't.

11 COUNCIL MEMBER CROWLEY:  
12 [crosstalk] Well, but they use it, the union, I  
13 think to use non union, but what I believe the  
14 Chair was getting at earlier in some of her  
15 questions was that we just want to make sure that  
16 whoever's building the structure has the training  
17 and the experience, the ability to build it  
18 safely.

19 MR. CASTRO: Right.

20 COUNCIL MEMBER CROWLEY: So that  
21 those within the tent, anyone who visits doesn't  
22 have to worry about it falling on them and that  
23 they're safety is taken. And that is paramount.

24 MR. CASTRO: Yes, it is.

25 COUNCIL MEMBER CROWLEY: Number one

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2 importance. And I can see how well trained  
3 carpenters would work for \$15 an hour or that, or  
4 that they could build something that 45,000 people  
5 could flow inside and out of and it be safe.

6 MR. CASTRO: well, it was last  
7 year. And they do it elsewhere and so, we have  
8 other events throughout the city--

9 COUNCIL MEMBER CROWLEY:  
10 [interposing] Okay.

11 MR. CASTRO: --where it does seem  
12 to be fine.

13 COUNCIL MEMBER CROWLEY: Do we have  
14 the Buildings Department there making sure?

15 MR. CASTRO: Yes, we do, yes,  
16 absolutely. That's very important. I agree with  
17 you.

18 COUNCIL MEMBER CROWLEY: So, who  
19 goes and visits and how long does it take for them  
20 to build this structure?

21 MR. CASTRO: It takes a while. It  
22 takes, they start it in April, the middle of April  
23 and then they conclude right in the next few days.  
24 So, it takes a long time. it takes much less to  
25 take it down, of course, as usual. So, it takes

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quite a while. It's a very big structure, as I said.

COUNCIL MEMBER CROWLEY: And all the while it's inspected by the Department of Buildings?

MR. CASTRO: I don't know how they inspect it specifically. We can get that information for you.

COUNCIL MEMBER CROWLEY: Any other jobs that are created? Who's bringing the material in? Are they union trucks?

MR. CASTRO: I really don't know. I could, we could find out.

COUNCIL MEMBER CROWLEY: You don't know if there is?

MR. CASTRO: We could find out for you. I just don't know.

COUNCIL MEMBER CROWLEY: I, you know, it sounds like it's an interesting event. It must be if 45,000 people visit. I want to make sure, first, it's a safe event to visit and then secondly, I wouldn't want to cause a picket line, you know? Are, it seems like this is an issue to the unions, obviously, we're having a hearing on

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2 it. Is there anything that we could do to make  
3 sure that the jobs that are generated, the  
4 economic activity are family supporting wages that  
5 would help the people, the City of New York?  
6 There's going to be an impact, many people who,  
7 that I represent and are, can afford to go to this  
8 art fair? So, there may be some economic benefits  
9 for people coming to the city from out of town but  
10 then there's also a burden. So, it doesn't seem  
11 that there is a direct impact that we could say is  
12 a good impact in terms of creating good jobs,  
13 right? Because these jobs are non union at sub  
14 standard wages that are getting created. How many  
15 people are building the tent?

16 MR. CASTRO: I don't know how many  
17 exactly are building it but quite a large number.

18 COUNCIL MEMBER CROWLEY: Can you  
19 think of a similar situation in the past that the  
20 Parks Department has dealt with where you've had  
21 substandard wages and you were able to turn it  
22 around and assure the people of the city that the  
23 jobs that are going to be created are family  
24 sustainable jobs?

25 MR. CASTRO: We really don't

1  
2 address those conditions. I mean, as I said, for  
3 many, many years the Parks Department has never  
4 done that. You know, we look at other things that  
5 can, they must have the requisite permits from the  
6 Buildings Department, the Fire Department, et  
7 cetera. We don't really get into that issue.

8 COUNCIL MEMBER CROWLEY: But do you  
9 generate a certain amount of economic activity  
10 that you can put a number on, your Alliance, the  
11 Randall Park?

12 MR. CASTRO: Yes, yes we can.

13 COUNCIL MEMBER CROWLEY: And how  
14 many, how much is that?

15 MR. CASTRO: For this event, just  
16 bear with me for a second while I find it. I  
17 referenced some of it earlier. There's--

18 CHAIRPERSON MARK-VIVERITO:  
19 [interposing] \$200,000?

20 MR. CASTRO: Well we, \$200,000 is  
21 the fee paid to Randall's Island. They have  
22 45,000 visitors, 47,000 hotel stays. I could get  
23 you, there's a little bit more information. I  
24 have the exact dollar figure that has been  
25 estimated on that, on the impact on the New York

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City area.

COUNCIL MEMBER CROWLEY: Earlier you said something to the fact that you didn't believe it was, there was a real value to the land.

MR. CASTRO: There's value to the land, I mean, you know, but we don't sell park land, obviously.

COUNCIL MEMBER CROWLEY:  
[interposing] And there's no other city like the City of New York and that's why [crosstalk] we're the number one city for art dealers and people from all over the world want to come here. And that's why this gallery show does so well and gets so many visitors because there's only one New York.

MR. CASTRO: Yeah, I agree.

COUNCIL MEMBER CROWLEY: You cannot recreate the synergy that we have here. How many square feet, how much square footage is taken up but he Frieze tent?

MR. CASTRO: 250,000 square feet, it's very large.

COUNCIL MEMBER CROWLEY: Can you estimate how much that is? I mean, it's less than

1  
2 a dollar per square foot if 200,000 is the only  
3 amount that the Park's is generating.

4 MR. CASTRO: Sounds right.

5 COUNCIL MEMBER CROWLEY: It sounds  
6 like a real good price they're getting.

7 MR. CASTRO: Well--

8 COUNCIL MEMBER CROWLEY:  
9 [interposing] Real estate in the city of New York,  
10 nowhere in the city of New York can you rent space  
11 like that for a month, a month and a half.

12 MR. CASTRO: But we're not renting  
13 it, obviously. I mean, I understand what you're  
14 saying, I think, but what my point that I was  
15 making was that we, they're not receiving  
16 government funds. So, there's, they, I think the  
17 question--

18 COUNCIL MEMBER CROWLEY:  
19 [interposing] They're getting a tax exemption.  
20 You don't, the price of real estate in New York  
21 City is so expensive you cannot rent something for  
22 a month for less than a dollar a square foot,  
23 nowhere, nowhere in this country.

24 MR. CASTRO: Mm-hmm.

25 COUNCIL MEMBER CROWLEY: I don't

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have any other questions.

CHAIRPERSON MARK-VIVERITO: Thank you Council Member. I think you made that point. I mean, it's just, the other thing, I went back to the issue of the reporting, because I want to understand for events of this nature. What is the level of reporting that Parks is expecting? I mean, look, like, we talk about the number of jobs, how many jobs are being created? I mean, it'd be great to know what percentage of the workforce they're bringing in is from in state, out of state. You know, those are things that should be asked. How much revenue is the entity making off of having this land from the city which does have a cost. How much is there revenue is, not only about the city, you know, we're not, let me just be clear. Understood the importance of this, what you're talking about and the economic benefit to the City of New York. We're not contesting that. We were trying to also just understand, you know, what we're losing also because of that, you know, potentially. There's aspects of this. So, you know, what reporting requirement is there for projects like this or

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events like this on park land? What is it that you ask the entities to provide to you?

MR. CASTRO: Right. I think I said earlier that we would get you that information you asked about, you know, did we look at their revenue sheets, what they're getting in and all of that kind of thing, which we would typically do and we do for park concessions. But I don't believe we do those for special events but I just want to double check.

CHAIRPERSON MARK-VIVERITO: And I think that that's would be a problem if we don't. I think that there should be some level of reporting expectation of these entities. We should know how much they're producing. I believe that any sort of fee, you know, should be based on revenue. You know, they allege, I would love to see this, I think in their testimony if I read it correctly, they were alleging that they broke, that they lost money last year which I doubt highly that they lost money on this event and that was in the testimony that was submitted for the record. You talked about ferry service, shuttle service. You indicated that the parking is a

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concession that the Randall's Island Alliance manages?

MR. CASTRO: Correct.

CHAIRPERSON MARK-VIVERITO: Who's providing and paying for the ferry service, shuttle service?

MR. CASTRO: The fare goes, the people that go, they pay for that.

CHAIRPERSON MARK-VIVERITO: Right, but this is an issue. We've talked about access to Randall's Island for a long time. That shuttle service and that ferry service doesn't exist at the event. It only lasts for the event.

MR. CASTRO: It's seasonal, it's seasonal.

CHAIRPERSON MARK-VIVERITO: So, right.

MR. CASTRO: Right.

CHAIRPERSON MARK-VIVERITO: So, but who pays for it?

MR. CASTRO: The people who use it.

CHAIRPERSON MARK-VIVERITO: So, you're basically saying that Frieze has that concession?

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MR. CASTRO: No, they do not.

CHAIRPERSON MARK-VIVERITO: So the City is paying for that? The City is providing the--

MR. CASTRO: [interposing] I'd be happy to check for you. I don't know off the top of my head but I will check for you. You know, get back to you.

CHAIRPERSON MARK-VIVERITO: That's something else that I think that, you know--

MR. CASTRO: [interposing] Sure.

CHAIRPERSON MARK-VIVERITO: --obviously the expense that I think we don't have a full understanding and accounting for.

MR. CASTRO: Okay.

CHAIRPERSON MARK-VIVERITO: So, I think that that, in terms of reporting requirements for these types of events in general on any sort of park land. If there isn't something that is more, that gathers and captures in more detail information, that's something that I think needs to happen. I mean, I really don't believe, I can't believe that that's not happening right now. Just trying to see if there's any

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2 additional questions based on what I wrote down.  
3 I think those were the questions I had and which  
4 raises more questions. But, you know, I  
5 appreciate the, you know, your presence here. I  
6 appreciate your testimony.

7 MR. CASTRO: Thank you.

8 CHAIRPERSON MARK-VIVERITO: And I  
9 think that the point about not receiving  
10 government funds, I think we've made the point  
11 clear that we really see that as a point of  
12 contention. This, our park land is worth  
13 something, it has a value and that should also be  
14 considered in anything that is happening. So,  
15 thank you, Commissioner.

16 MR. CASTRO: Thank you very much,  
17 appreciate it.

18 CHAIRPERSON MARK-VIVERITO: And we  
19 will move on to the, we have about three or four  
20 panels that will testify here today. I have here,  
21 oh, I don't want to get the wrong name here, John  
22 Ingenari [phonetic], thank you, Teamsters Local  
23 807. We've got James Whalen [phonetic] and  
24 Bernadette McCullough [phonetic]. Those would be  
25 the, that would be the first panel that we'll hear

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from. [off mic]

CHAIRPERSON MARK-VIVERITO: Okay,  
you can decide who's going to start off and feel  
free to maybe just identify yourself and then  
provide your testimony. Thank you.

MR. JIM WHALEN: Good afternoon.  
My name is Jim Whalen. I'm with the Teamsters  
Local 817 out of New York. I'd like to thank you  
for the opportunity to address the Council today.  
I represent the driver's in the motion picture and  
television industry. I come here to share my  
experience in doing business with the Mayor's  
Office of Film and the New York City Park's  
Department. Local 817 drivers undergo training  
and as our driver's gain more experience they are  
assigned to more difficult jobs. Safety on the  
job is a key component in our work and production  
companies know us as professionals. Over the past  
25 years I have been involved in many film and TV  
productions using our city's parks as locations  
for projects. My job is to move production  
companies in and out of parks with minimal  
disruption and to our neighborhood residents and  
damage to park property. My job requires that I

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2 meet the production needs of the company, maintain  
3 good relationship with the Park's personnel and  
4 ensure that the drivers on the job are efficient  
5 and qualified to do the works in our parks. With  
6 the cooperation and supervision of the New York  
7 City Parks Department personnel we are able to  
8 accomplish this task on a regular basis. What,  
9 Teamster's Local 817 works a gamut from large  
10 scale motion pictures with enormous budgets to  
11 small independent films and TV pilots, no matter  
12 the budget my job remains the same to get the job  
13 done quickly and efficiently. Local 817 is also  
14 involved with major production events in the city  
15 like the Times Square ball drop, summer concerts,  
16 Macy's Parade and the Christmas Tree Lighting. In  
17 our industry the Mayor's Office is the point of  
18 contact for all permits and regulatory issues. In  
19 researching Frieze New York I am confused on how  
20 an event of this scale is regulated and I have  
21 some questions, with all due respect to this  
22 Committee. Number one is, why can't we find any  
23 type of New York City permit on file for this  
24 event? Number two, we can't find out required  
25 insurance policies that all events need to provide

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2 New York City for this event. What New York City  
3 agency is involved in overseeing this event? And  
4 why doesn't the production company, Production  
5 Glue, have any contacts or purchase orders on  
6 file? In the motion picture and TV industry we  
7 have to get proper permits from the Mayor's Office  
8 of Film and the New York City Department of  
9 Transportation. When we use a New York City park  
10 we are required to coordinate our requests  
11 directly with a Parks Department representative  
12 prior to the City signing off on our permit. In  
13 our industry we provide company insurance to the  
14 City and after the parks use we are required to  
15 leave the park in the same condition as when we  
16 arrive. All of these provisions are spelled out  
17 in detail contract that is public information. My  
18 final question is why this information is not  
19 available for us regarding the Frieze New York art  
20 fair? As a New Yorker and a worker in the  
21 entertainment industry I believe we need to strike  
22 a balance with respect to using our public lands,  
23 promoting our great city and employing New York  
24 workers to produce there events. Frieze claims  
25 they want to be considered a New York art show but

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2 show little respect to our parks and residents by  
3 taking weeks to erect and tear down the event by  
4 avoiding public track record of work being done to  
5 product this event and by using workers that are  
6 grossly underpaid and my experience probably they  
7 are inexperienced. Would it not make sense to  
8 hold Frieze to the same standards as the film and  
9 TV industry? It appears to be a double standard  
10 and as a tax paying New York resident I request  
11 transparency for this project dealing with New  
12 York City the same as other industries in a level  
13 playing field. Thank you, and I am available to  
14 answer any questions the Committee may have about  
15 my job and experience. Thank you.

16 MS. BERNADETTE MCCULLOUGH: My name  
17 is Bernadette McCullough. I have been asked to  
18 come here for George Miranda. He sends his  
19 regards and he apologizes that he can't be here in  
20 person, so if you wouldn't mind I would like to  
21 read his statement into the record. As the  
22 President of Joint Council 16 our members perform  
23 critical jobs in the exhibition industry. It is  
24 an absolute insult that for the second year in a  
25 row, Frieze Art New York and its management agent,

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2 Production Glue, have purposely avoided union  
3 labor. Frieze originates from London. They  
4 organize modern art exhibitions in the UK and this  
5 is their second year in New York. We welcome new  
6 exhibitions because New York is the premiere  
7 location for cultural events in the United States,  
8 and some would say in the world. In fact, it's an  
9 honor to have Frieze to choose New York to host  
10 their exhibition. Art enthusiasts believe that  
11 based upon last years show this will be a yearly  
12 event held on Randall's Island. This is a type of  
13 show we would ordinarily welcome. Production  
14 Glue, the company that is running the logistics  
15 for Frieze New York specializes in event  
16 production from concept development and technical  
17 direction to installation. In fact, the Mayor's  
18 Office is a client of Production Glue. Since 2007  
19 Production Glue has been the coordinator of many  
20 events for the Mayor's Office of Special Projects  
21 and Community Events. Production Glue has  
22 benefitted from our tax dollars and enjoyed  
23 lucrative careers on the backs of our citizens and  
24 now they're assisting Frieze in an anti union  
25 avoidance campaign. The tenting alone at Frieze

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2 requires more than 100 tractor trailers with the  
3 total number of trucks used to transport the  
4 production components approaching 1,400. Last  
5 year the tent at Frieze New York took six to seven  
6 weeks with about 500 workers on site daily in  
7 2012. The tent is the size of three football  
8 fields. Workers have been recruited from as far  
9 away as Wisconsin to work here at Randall's  
10 Island. This will be Production Glue's second  
11 time working on Frieze New York but not our first  
12 experience with this company. Frieze is directly  
13 undermining good employers like those at the  
14 Armory by purposely hiring non union  
15 subcontractors. Frieze New York and Production  
16 Glue are masterful at avoiding union labor. Not  
17 one contractor at Frieze is represented by  
18 organized labor. As a matter of fact, I suspect  
19 that Production Glue was hired by Frieze New York  
20 to avoid working with union contractors on  
21 Randall's Island. New York City union workers  
22 earn wages that support their families and their  
23 earnings support this city. Skilled, unionized  
24 trade show workers such as those at the New York  
25 Armory Art Show earn a fair wage that includes

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2 healthcare and pension benefits. Companies that  
3 engage in union avoidance, like Frieze and  
4 Production Glue should not be granted access to  
5 our parks. Companies that go out of their way to  
6 undermine our standards cannot be allowed to do  
7 business in our public spaces. It is up to us to  
8 move legislation that will force minimal working  
9 standards to be followed if you're running a major  
10 event in a public space here in New York. We must  
11 also work towards transparency so that major  
12 events like Frieze are held to the same standards  
13 as others in the entertainment industry. The City  
14 Council can vote to change the permitting rules to  
15 enable working class exhibition workers a chance  
16 to earn a fair living and level the playing field  
17 for good employers and exhibition companies. I am  
18 humbly asking you to consider making the changes  
19 necessary so that large exhibitions and  
20 productions that use our public lands and  
21 resources are held accountable to the public and  
22 employ workers at a fair rate of pay under very  
23 safe working conditions. Thank you.

24 MR. JOHN INGENARI: Hi, thanks for  
25 having me. My name is John Ingenari and I happen

1  
2 to be one of the workers that Frieze New York is  
3 shutting us out of work. I've been doing antique  
4 and art work since 1986 and I am hired to do  
5 yearly art shows at the Uptown Armory on 66<sup>th</sup>  
6 Street. These are good jobs that support working  
7 New York families like myself. The Teamsters are  
8 under contract with 90 percent of these art shows  
9 and I am an experienced trade show worker and know  
10 the ins and outs of this business. In addition to  
11 being efficient at what I do me and the people  
12 that I work with in the Teamsters - - and the  
13 carpenters work safely. As a New Yorker I think  
14 it's an outrage that the company like Frieze can  
15 come here from London and disregard the way that  
16 things are done here. Last year we thought that  
17 maybe they didn't understand or that hey were new  
18 to the business but they are just plain out  
19 avoiding us. With all due respect to this  
20 Committee I can't help but ask, does this city  
21 condone these anti union actions. I mean, should  
22 we allow anti union companies like Frieze to come  
23 into our city and use our park lands just to slap  
24 us in the face? And also, I believe in my heart  
25 that they are hiring double the amount of workers

1  
2 and using double the amount of the time that the  
3 guys that we do the shows with would do the work  
4 in half the time. It's not a cost issue. They  
5 are charging these people that given the workers  
6 \$18 an hour and still charging the artist double  
7 or triple that amount as of, if they were union  
8 workers there. So, it's not about savings it's  
9 about them popping in the money and going back to  
10 London with the money. Would we be allowed to go  
11 to London to do this type of stuff it would never  
12 happen. And I find that, that's very disturbing.  
13 Thank you very much.

14 CHAIRPERSON MARK-VIVERITO: I want  
15 to thank the three of you for testifying. I want  
16 to just recognize the Council Member Danny Dromm  
17 has joined us. I think that you raising all the  
18 three, the testimony you provided raises some  
19 really important questions. I think what we're  
20 trying to get at the essence of some of it when  
21 we're talking to the administration. But we  
22 definitely will do a follow up based on the  
23 additional testimony that we're hearing to get  
24 some further clarity. Obviously the reporting  
25 requirements are extremely lackluster from what we

1  
2 are hearing. and I think, Mr. Whalen, what you  
3 said about the insurance and other aspects I think  
4 is interesting as well and these are the things  
5 that we can include in any follow up questions to  
6 the Administration. I don't know if any of my  
7 colleagues have any questions? But I want to  
8 thank you for taking the time to be here and share  
9 a new experience and we'll follow up. [crosstalk]  
10 Thank you. The second panel? Yes. We've got  
11 Michael Odenthal, Brendan Griffith, Jim Conway.  
12 Oh, is not here, so we will have someone else. We  
13 got Kenneth Carrigan [phonetic]. [off mic] So,  
14 you can all decide who goes first and feel free to  
15 start.

16 MICHAEL ODENTHAL: [off mic] My  
17 name is Michael Odenthal. I'm a 15 year member of  
18 New York City District Council of Carpenters. I'm  
19 a graduate of our apprentice program and I have  
20 worked hard throughout the years to provide for my  
21 family. Today I'm here to declare my outrage to  
22 the New York City Council regarding Frieze art  
23 fair which is now underway at Randall's Island and  
24 will be open to the public on Friday, May 10<sup>th</sup>,  
25 2013. Construction and staging of this event is

1  
2 being orchestrated by Carl's Event Services  
3 [phonetic] a division of Arena Group which is  
4 headquarters in the UK. The Frieze art fair is  
5 led by Amanda Sharp and Matthew Stowover  
6 [phonetic] of London, England who along with  
7 Carl's Event Services, a division of the Arena  
8 Group cuts corners on labor and denies New Yorkers  
9 that ordinarily perform this work fair wages and  
10 benefits. New York City - - its support by  
11 offering Randall's Island, a venue to host this  
12 event which openly disregards any decency towards  
13 New York trade show workforce. Do you realize by  
14 not providing decent health coverage for their  
15 employees these predatory contractors, antiquated  
16 employment policies force the rest of New York  
17 State taxpayers to subsidize their employment  
18 healthcare. Responsible contractors and all  
19 working people, in effect, underwrite the  
20 substandard practices of those who profit from  
21 denying their workers fair wages and benefits. I  
22 urge the members of New York City Council and the  
23 leadership of our city to take a principled stand  
24 against the Frieze arts fair and its low wage, no  
25 benefit contractors, such as Carl's event

1  
2 services, a division of the Arena Group. Area  
3 standard wage and benefits are a win win, they are  
4 good for workers, good for responsible contractors  
5 and good for our city. Thank you.

6 MR. KENNETH CARRIGAN: Hi, good  
7 afternoon. My name is Kenneth Carrigan. I'm the  
8 President of Exhibition Employees Union, Local  
9 829. It is an honor to be here today and on  
10 behalf of my members from local 829 - - and my  
11 brothers and sisters in the labor movement I thank  
12 you for your time and the opportunity to speak  
13 upon this very important subject. I have been an  
14 exhibition stagehand for more than 30 years and  
15 started when I was 17 years old. I have worked in  
16 every venue you can imagine in New York City from  
17 private location in public spaces. It has been an  
18 honor to serve in this capacity. We do all the  
19 shows including the Armory, the shows at the  
20 Marriott, the antiques shows on 66<sup>th</sup> Street and the  
21 shows on 26<sup>th</sup> Street Armory also. This is what we  
22 do for a living, we - the greatest city in the  
23 world, including some of the most popular cultural  
24 events. Our members go through vigorous training  
25 and understand how to perform our work

1  
2 effectively. - - prides itself on giving working  
3 people the opportunity to make a decent living by  
4 teaching them the craft. As the President of the  
5 local, in addition to being on the job it is also  
6 my responsibility to make sure that we have  
7 harmonious relations with the production companies  
8 and subcontractors that we work with. When I  
9 negotiate agreements with new productions I take  
10 into consideration the budget, the amount of  
11 workers needed to complete the project and the  
12 future relationship with the stakeholders on the  
13 job. This is why we are successful. Last year  
14 when Production Glue and Frieze New York ignored  
15 our attempts to reach out to them I was actually  
16 confused. The event is held on Randall's Island.  
17 The event hired over 500 people according to the  
18 article I read and not one worker is covered by  
19 union contract and many of the workers came from  
20 out of state. This is not a small scale art show.  
21 This is not an emerging production company. This  
22 is a full scale exhibition. This exhibition is  
23 for the very top brass of the art world to buy and  
24 sell art. This is not different from the work we  
25 do day to day. Please don't allow Frieze to get

1  
2 away with this. Their anti union actions, their  
3 total disregard for working New Yorkers should not  
4 be allowed. I thank you for your time.

5 MR. JAMES CONWAY: [off mic] Good  
6 afternoon honorable Council Members. First, I  
7 want to thank you for being here, taking this  
8 opportunity to improve the lives and conditions of  
9 New Yorkers. I look forward to working with the  
10 three Council Members next year on the Federal  
11 Immigration Labor Reform Bill so we can help our  
12 future New Yorkers gain access to unions and  
13 improve their lives and conditions. But we're  
14 here today to talk about the structure on  
15 Randall's Island. First, as far as worker safety  
16 goes I know the Parks Department kept bringing up  
17 the Department of Buildings but the agency that's  
18 responsible for worker safety on this project--

19 CHAIRPERSON MARK-VIVERITO:

20 [interposing] You need to just introduce yourself.

21 MR. CONWAY: Oh, I'm sorry.

22 CHAIRPERSON MARK-VIVERITO: - - you  
23 said your name on the record, sorry.

24 MR. CONWAY: James Conway,  
25 Operating Engineers, Local 14.

1  
2 CHAIRPERSON MARK-VIVERITO: Okay,  
3 keep going.

4 MR. CONWAY: So, first, the agency  
5 that's responsible for health and safety on this  
6 project is OSHA, not the Department of Buildings.  
7 The Department of Buildings is, their object is  
8 for safety of property and safety of the public.  
9 So, the Federal Agency, OSHA, is responsible for  
10 worker safety. The Parks Department never  
11 mentioned that it was inspected by OSHA or OSHA is  
12 involved in this project or what recommendations  
13 OSHA has made but OSHA did come up with the report  
14 card this year and they said that almost 90  
15 percent of the fatalities and accidents are done  
16 on non union projects. And I wish that the Parks  
17 Department would take these findings in  
18 consideration as we do. Now, most of my brothers  
19 and sisters that have been speaking before me have  
20 said they're confused, they don't understand why  
21 they are not building this structure union. Well,  
22 I'm not confused because what this structure  
23 resembles to me is a Downton Abbey, and that's  
24 what the structure is. And they want to make this  
25 fictional show a reality on Randall's Island with

1  
2 the aristocratic views and their anti labor views  
3 and their classy views and they want to treats us  
4 like peasants and not pay us union wages, not let  
5 us, let our children come into this project and  
6 evolve in this project. And they look down to us  
7 and that's what they want to build and that's what  
8 they want to bring. We don't want this in New  
9 York. We want New Yorkers to be middle class and  
10 we don't want them to bring their aristocrats  
11 attitudes to this city. So, please continue your  
12 investigation on this project and lets build it  
13 union. Thank you.

14 CHAIRPERSON MARK-VIVERITO: Thanks  
15 for the testimony. I have a, just couple of  
16 questions 'cause I think it was mentioned by Mr.  
17 Carrigan. So, there have been attempts, is it,  
18 was it your union and other unions have approached  
19 Frieze to try to negotiate?

20 MR. CARRIGAN: Last year we  
21 attempted to at least bring them to the bargaining  
22 table, I mean, with our efforts of picketing and  
23 hopefully they would respond to our efforts, you  
24 know, as again, not to be repetitive. We picketed  
25 out there and we were really looking to come to

1  
2 the bargaining table to come to some type of  
3 agreement to the discussion of maybe hiring.  
4 Again, there's 500 workers out there. I'm not  
5 looking for all those jobs. I'm not looking to  
6 displace all of them also either. I'm just  
7 looking for a fair piece of the pie. And as one  
8 of the things that was mentioned earlier was the  
9 price of the non union worker there. I mean,  
10 they're telling you \$19 an hour. By the time that  
11 price gets inflated and - - going to the actual  
12 exhibitors doing the show it's much more than \$19  
13 an hour. It's probably three times higher, I  
14 mean, from what we have. In some instances maybe  
15 three times higher. And as far as New York  
16 workers as opposed to out of town workers, at  
17 least when I get paid I live in New York. My  
18 money is going back into New York City. When  
19 someone comes to Wisconsin or London their pay  
20 goes back to Wisconsin with them. So New York  
21 City never sees those revenues. So, I mean, it's  
22 a no brainer, it only makes sense to hire New York  
23 Workers and keep the money in our economy. So,  
24 like you, if to feed my family, I can take my  
25 family to restaurants at the shows and do what I

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need to do but at least we're putting the money back into New York City where it belongs.

CHAIRPERSON MARK-VIVERITO: So just to be clear, so last year you did picket, you did reach out to them and then based on that experience this year there were absolutely no efforts to reach out.

MR. CARRIGAN: That is correct.

CHAIRPERSON MARK-VIVERITO: Do you have plans to do a picket this year?

MR. CARRIGAN: That is correct.

CHAIRPERSON MARK-VIVERITO: Okay, do you know, are other unions involved in that as well?

MR. CARRIGAN: My brothers and sister locals will be there.

CHAIRPERSON MARK-VIVERITO: Okay.

MR. CARRIGAN: Anyone involved in the exhibition industry hopefully will be there with, alongside me.

CHAIRPERSON MARK-VIVERITO: And now based on 'cause you indicated that, Conway, you indicated that OSHA has oversight over this which I didn't, was not aware. Interesting, I wonder if

1  
2 that takes place on other events on park land.  
3 But are you aware of any incidents regarding this  
4 particular issue last year?

5 MR. CONWAY: No, I'm not.

6 CHAIRPERSON MARK-VIVERITO: No?

7 I'm just wondering if there's any, if anybody knew  
8 of any safety incidents, concerns, that was based  
9 on last years exhibit. I don't know if that was,  
10 maybe something that we could try to see if we can  
11 get any sort of information on. Okay, and so I  
12 thank you for testifying here today. Thank you.  
13 We have Brendan Griffith is here, my  
14 understanding? Okay, good. We're going to do  
15 Blythe, Riley, sorry, Blythe Riley. Is he here?  
16 She, I'm sorry. Apologies. John Clancy. Okay,  
17 so that's the next panel. [off mic]

18 MR. BRENDAN GRIFFITH: Good

19 afternoon. My name is Brendan Griffith and I'm  
20 the Chief of Staff at the New York City Central  
21 Labor Council and I want to thank you for the  
22 opportunity to submit this testimony before the  
23 Council of the City of New York. I especially  
24 want to thank City Council Speaker, Christine  
25 Quinn, and Parks and Recreation Committee Chair,

1  
2 Melissa Mark-Viverito for convening this very  
3 important hearing today. I am here representing  
4 the New York City Central Labor Council which is  
5 comprised of over 300 unions that represent \$1.3  
6 million workers in the City of New York from  
7 across the public, private and building trade  
8 sectors. This includes all of the trades involved  
9 with the exhibition works in New York City. Our  
10 city is clearly in a dire situation when it comes  
11 to the availability of good jobs. We have an  
12 alarming percentage of people unemployed and  
13 underemployed in the city, and this includes both  
14 unionized and non unionized workers. According to  
15 an April 2013 report from the New York City Center  
16 for Economic Opportunity, in 2011 New York City  
17 had a poverty rate of 21.3 percent. The share of  
18 the working age population in New York with steady  
19 work, which, and steady work is defined as 50 or  
20 more weeks in the prior 12 months, that percentage  
21 declined from 59.8 percent in 2009 to 56.3 percent  
22 in 2010. And simultaneously the proportion of the  
23 population that have no work at all grew from 23.5  
24 percent to 27.3 percent. We can infer that these  
25 numbers are, were partially inflated by the now

1  
2 spent stimulus dollars which were used to  
3 primarily maintain services as opposed to  
4 construct capital projects. Against this backdrop  
5 it is irresponsible that the profitable Frieze art  
6 fair would bring in mostly out of town workers for  
7 their annual event. The Frieze art fair offers  
8 these out of state employees sub standard wages  
9 with limited or now benefits. These should be  
10 good, local jobs that support the economy and the  
11 hard working families of New York City. There is  
12 no reason for this massive international  
13 introduction, which is being held on public land  
14 maintained by public resources should be built and  
15 operated by workers from outside of New York whose  
16 skills are not known and who have none of the  
17 expertise of working trade shows in New York City.  
18 From the Jacob Javits Center trade events to art  
19 shows at the Armory to the Food and Wine Festival  
20 in the Hudson River Park this city has upheld the  
21 highest standards for the workers on exhibition  
22 and festival job sites. The city of New York has  
23 a responsibility to ensure that these massive,  
24 this massive structure is put up safely and  
25 efficiently and this anticipated and highly

1  
2 profitable event provides fair wage jobs and  
3 protections for the deserving New York workforce.

4 Thank you.

5 MS. BLYTHE RILEY: Hi, thanks for  
6 hearing me. My name is Blythe Riley. I am part of  
7 an independent self organized group of artists,  
8 interns, writers, educators, art handlers,  
9 designers, administrators, curators, assistants  
10 and students who are called Arts in Labor. I  
11 personally have been part of the art world for  
12 over 15 years, both as an administrator in various  
13 arts institutions in the city as well as an  
14 exhibiting artist. Over the course of time I have  
15 seen the conditions for working people in all  
16 disciplines of the art world consistently  
17 diminish. Wages have gone down, benefits have  
18 been lost, artists are regularly denied payment  
19 for their work and more and more paid jobs become  
20 unpaid internships every year. The arts are an  
21 economic engine of New York City bringing in  
22 people and money each year. The arts are also  
23 something that we, as New Yorkers, cherish and  
24 it's part of what makes us proud to live here,  
25 that's why I live here. However, we can't ignore

1  
2 that this culture wouldn't exist without working  
3 people. So, I'm here today to stand with the  
4 teamsters and the other unions because I believe  
5 that institutions like the Frieze art fair need to  
6 be made accountable to the working people of New  
7 York City. As an art worker I find it deplorable  
8 and insulting. In the middle of a jobs culture of  
9 New York City that an art fair can come in, take  
10 over a public park, exchange millions of dollars  
11 and art sales and that will happen, and import 500  
12 jobs from out of state that could go to New  
13 Yorkers. New York City needs an art world that  
14 supports its work force and creates a space for  
15 its residents to enjoy and produce culture. To do  
16 that we need to have good jobs. The Frieze New  
17 York art fair with its current labor practices is  
18 the wrong art world for New York City. If this  
19 fair is going to become a mainstay of the New York  
20 art world we must demand that they treat our city  
21 and its workers with respect by hiring local and  
22 union at prevailing wages and I believe that this  
23 alliance agreement that the teamsters and other  
24 unions are proposing will be an essential  
25 component of that accountability process.

1  
2 MR. JOHN CLANCY: Good afternoon,  
3 Council. My name is John Clancy, President of  
4 Expo Advantage USA. We are a contracting company.  
5 I'm also a professional artist, so I'm very  
6 familiar with the art shows and artist and  
7 galleries, et cetera, et cetera. I've recently  
8 done two major art shows in the city recently in  
9 March, one was Sculp [phonetic] and the other was  
10 Volta [phonetic]. To answer a question that you  
11 asked earlier about what a carpenter does at these  
12 shows, normally they don't just put up tents. We  
13 put up wall panels and these panels are anywhere  
14 from four foot wide to ten foot high. They weigh  
15 close to 150 pounds a piece. These guys know how  
16 to run freight, how to move freight and how to put  
17 these exhibits up. I've done shows that were non  
18 union that turned union and the people that have  
19 done these shows with me have told me these are  
20 the best workers they've every had. They, the  
21 stuff went up quicker, more efficiently, safer and  
22 the list goes on and on. And I can get the people  
23 that write me these accolades and send it to me  
24 here if you prefer me to have that. But, I highly  
25 recommend the union workers. They make my shows

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run effortlessly and it's just fantastic.

CHAIRPERSON MARK-VIVERITO: So again, I want to thank the three of you for your testimony. Why don't, Mr. Griffith, one of the things that we raised, know you had stepped out for a little but I wanted to make sure, you know, what kind of reporting Parks was making these event organizers provide. It doesn't seem like they really capture much. So, you know, when we talk about the unemployment figures and wanting these jobs to go local, one of the things that Frieze said in the testimony that it submitted it says, art fairs tend to break even or lose money as Frieze did in 2012. They're alleging they lost money in the first year that they ran this event. And New York City is an especially expensive place to produce this kind of event. It costs 60 percent more to put on this fair in New York City than it does in London. And that's one of the reasons why, I guess, they're arguing that they're going the route they're going in. I mean, I'm, that's not exactly what they're saying but, you know, obviously that's the road and the path we can take based on that argument. So, do you have

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anything to say, you know, to that kind of argument if that's what they're making and they're saying is that, you know, that it's too expensive and that's why we can't work with the labor?

MR. GRIFFITH: You know, and I apologize that I did step out.

CHAIRPERSON MARK-VIVERITO: Yeah.

MR. GRIFFITH: For a few moments. I did not get to review that testimony. My understanding is the Armory has an art show that uses union labor that's successful.

CHAIRPERSON MARK-VIVERITO: And they do generate revenue and they generate at a profit?

MR. GRIFFITH: Without having any specific numbers that is what I understand.

CHAIRPERSON MARK-VIVERITO: I mean, obviously they go back and use the labor that they used then I would think it's not really cutting into their profits. So, there's examples that are set. But one of the things we raise, and again, you know, and thank everybody for their testimony is getting more information, greater accountability, transparency, that Park's needs to

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2 make these event organizers provide us with the  
3 details and the information, if not they can hide  
4 behind statements like this which at its core may  
5 be false. So, again, thank you for your  
6 testimony. I think we have two, oh, Elizabeth  
7 Crowley, Council Member Crowley has a question.

8 COUNCIL MEMBER CROWLEY: Thank you,  
9 Chair Viverito. My question has to do with one of  
10 you or all of you can answer this question. I'm  
11 not sure, how much does it cost to visit the art  
12 shows at the Armory? Are they are expensive as  
13 this Frieze exposition, exhibit? No?

14 MR. CLANCY: I know that at the  
15 Volta show it's probably about, for an attendee to  
16 go there it's probably about \$20 for somebody to  
17 go in there. They had a ton of people come to  
18 that show and it was very successful.

19 COUNCIL MEMBER CROWLEY: So, it's  
20 substantially more, \$42?

21 CHAIRPERSON MARK-VIVERITO: \$42 for  
22 the [off mic] right, this one is \$42 for entry.

23 COUNCIL MEMBER CROWLEY: [off mic]  
24 Oh, okay. And do you know for the artists group,  
25 are there local artists that are, like, struggling

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2 artists or not as established that have tables  
3 there? Is there any effort by the Frieze  
4 organization to extend a hand to those local  
5 artists from New York City that wouldn't  
6 ordinarily have a shot at getting in galleries?

7 MS. RILEY: I'm not sure how the  
8 curating decisions have been made for Frieze but I  
9 do think that the majority of the artists are  
10 pretty well established that are participating in  
11 the fair. But I don't have any sort of judging,  
12 they're not as, a little bit difficult so I don't  
13 have any sort of specific gauge on that. I mean,  
14 you either have to be represented by the gallery  
15 as far as I understand or be part of a  
16 commissioned project or be part of a panel that's  
17 speaking, although I'm not an expert on the full  
18 range of programming that they offer.

19 COUNCIL MEMBER CROWLEY: And how  
20 much, do you know how much a regular, one piece of  
21 art would cost on average there?

22 MS. RILEY: That would depend on  
23 the gallery - - with the artist.

24 COUNCIL MEMBER CROWLEY: Thousands  
25 of dollars?

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2 MS. RILEY: It, I mean, it depends  
3 on who the artist is and the level that they're  
4 selling at, whether or not that they, how many  
5 shows they've had and all of these things. So, an  
6 emerging artist might sell something lower in the  
7 thousands. Someone else might something for the  
8 tens of thousands.

9 COUNCIL MEMBER CROWLEY: And do you  
10 have any idea of how many of those artists are  
11 local artists?

12 MS. RILEY: I don't know. No. I  
13 mean, it's an international art fair. I think  
14 that would be pretty hard to judge. I'm not sure  
15 that anyone's keeping track of those statistics.  
16 I mean, in general, I think it's, the benefit of  
17 these things specifically to the local community  
18 of New York City artists is pretty hard to gauge.  
19 And that would be really great to see some  
20 accountability. [crosstalk]

21 COUNCIL MEMBER CROWLEY: Okay, no  
22 further questions. Thank you.

23 CHAIRPERSON MARK-VIVERITO: Thank  
24 you, Council Member. So, thank you for your  
25 testimony and we have one more panel of two

1  
2 speakers, thank you. So, we're going to ask now  
3 Mr. Sanford Smith and Jeffrey Croft [phonetic]  
4 these are the two last testimonies that we'll get.

5 Good afternoon. My name is Jeffrey  
6 Croft, President of New York City Park Advocates.  
7 I feel that my testimony is going to be a tiny bit  
8 different but very much related to most of the  
9 speakers here today. Frieze, I just want to  
10 remind everyone, Frieze is a commercial event  
11 that's being allowed to seize public parkland for  
12 \$42 each day plus a \$2.60 service charge, the  
13 public can gain access to what is supposed to be a  
14 public parkland. For two months the park is off  
15 limits to the general public for this event alone,  
16 that includes set up and break down. Compounding  
17 this issue are the series of consecutive events  
18 that allow, that follow including the Bloomberg  
19 Corporate Picnic and assorted concerts including  
20 Electric Zoo, a three day long DJ event. The area  
21 of the park these commercial and private events  
22 occupy is the largest open field and unprogramed  
23 part of Randall's Island. These events prohibit  
24 the general public from accessing this desperately  
25 needed open space for up to five months of the

1  
2 year, five months. I don't have to remind folks  
3 that Randall's Island is located between the South  
4 Bronx and East Harlem. But I do want to spend a  
5 little time talking about why this is happening.  
6 First, it's happening because the Randall's Island  
7 Sports Foundation, now named the Randall's Island  
8 Park Alliance is receiving a fee as we know for  
9 these events. Each year our elected officials are  
10 allocating a fraction of the funds desperately  
11 need to properly maintain, operate, secure and  
12 program our 29,000 acres of public parks. This  
13 year is no different. Mayor Bloomberg's current  
14 \$70.1 billion proposed budget allocates just \$283  
15 million or .4 percent in tax levy funds for Parks.  
16 The City continues to try and abdicate its  
17 responsibility by entering into these  
18 public/private agreements that officials are not  
19 only allowing but actively encouraging. They are  
20 increasingly resorting to these pay to play  
21 funding schemes this welfare mentality has to  
22 stop. These deals hand over enormous power and  
23 decision making authority to these groups with  
24 little transparency and accountability on what is  
25 supposed to be public parkland. It is the city's

1  
2 legal responsibility to properly fund our parks,  
3 not private businesses. These events that are  
4 happening on Randall's Island are clearly non park  
5 purposes and must be stopped. Our parks are being  
6 run like convention centers. Parks, by law, are  
7 supposed to be protected from non park purposes,  
8 laws our elected officials have taken an oath to  
9 uphold. This public parkland does not belong to  
10 the Mayor or to these public/private partnerships  
11 that are increasingly sprouting up. Park belongs  
12 to the people of the City of New York and must be  
13 protected. It's also interesting here,  
14 Commissioner - - said that they don't sell  
15 parkland, which is exactly what they are doing  
16 here, albeit extremely cheaply. I just, I brought  
17 a couple of photographs that we can certainly pass  
18 around. I just want to give you guys just an  
19 example, a visual of how large this thing is. It  
20 is gigantic. And again, it's not just that area.  
21 It's many, many, it's dozens of acres. There's a  
22 fence completely around this property. Last  
23 weekend I was out there and this is a father and a  
24 daughter trying to navigate around a very, vary  
25 dangerous situation out there. I had to, on my

1  
2 bike, escort them through the property. There is  
3 a sign up that says, controlled access, escorts  
4 required. I don't know who is supposed to be  
5 maintaining these escorts but clearly that's not  
6 being done in a safe manner since, obviously, of  
7 grave concern as there have been hundreds of  
8 millions of dollars of new improvements made to  
9 Randall's Island but it's not being, you know, if  
10 the public is not safe using it. This is the  
11 beach right next to this, one of the areas.  
12 Again, these are just some of the properties that  
13 the public is being basically denied access to.  
14 So, after this event then comes the corporate  
15 picnic from the Bloomberg Administration, I'm  
16 sorry, Bloomberg LLP, that's a picture of a disco.  
17 Again, this is a family, this kids birthday, and  
18 again, this is, again, one of the five months that  
19 the public is denied access. I want to show two  
20 other images if you can. This is exactly where  
21 the Frieze event is now. And if you look very  
22 carefully these are actually chaise lounges,  
23 again, for the Bloomberg corporate picnic. That  
24 again, takes over a months to set up and break  
25 down. And these are the last images, very

1  
2 important. Again, these are Randall's Island,  
3 located in the South Bronx, between the South  
4 Bronx and East Harlem. This is, these are the  
5 ball fields and during Electric Zoo this a lone  
6 family barbecuing. So again, my testimony, these  
7 events should not be allowed to happen on public  
8 parkland and we certainly support the union issues  
9 here because this stuff is happening all over the  
10 place and additionally, as I'm sure it was  
11 mentioned, the same production company that's  
12 doing this event also does the Bloomberg Corporate  
13 LLP event.

14 MR. SANFORD SMITH: My name is  
15 Sanford Smith. I've been producing and managing  
16 art, antique, design and antiquarian book shows in  
17 New York City for 33 years. Currently, I do four  
18 shows a year at the Park Avenue Armory, where, for  
19 your information, I pay \$33,000 a day in rent. If  
20 you compute that it's about 100 times what Frieze  
21 is now paying for park. In addition to that, for  
22 your information, some of the booths at Frieze  
23 sell to the dealers or rent to the dealers for  
24 upwards of \$50,000 per booth. In addition to  
25 that, some of the art work being sold at Frieze,

1  
2 last year for instance, the New York City Chelsea  
3 Gallery had basically presold the painting that  
4 was picked up and finalized at Frieze for \$2  
5 million. Artwork at Frieze sells for anywhere  
6 from \$10,000, \$15,000 a painting or sculpture up  
7 to \$2, \$3, \$4, \$5 million dollars. The art  
8 galleries coming into New York from abroad are  
9 some of the richest art galleries in the world.  
10 When Frieze carpenters who get \$15 or \$18 an hour  
11 do specialty work of the dealers, which are called  
12 extras in the trade, I want an additional wall in  
13 my booth. The price they pay to Frieze is  
14 probably in the neighborhood of somewhere between  
15 \$75 and \$125 for a foot for that wall. All right?  
16 And they're paying the people putting it up \$15 or  
17 \$18 an hour for doing that work. Most of that  
18 work, you can put up, a union carpenter can put up  
19 a four by ten foot or a four by 12 wall, two men,  
20 in approximately 15 minutes. So, you figure out  
21 how much they're charging the dealers on top of it  
22 and then you can get an idea of how much money is  
23 being generated by Frieze. I have been doing this  
24 for years and all those years, 32 years, have been  
25 all union members. I have employed members of

1  
2 five separate unions, teamsters, exposition  
3 workers, carpenters, electricians, and at one time  
4 the decorators union, which was absorbed into the  
5 carpenters union. I have been doing this to the  
6 point where I could probably answer any questions  
7 you have about any of the cost factors involved.  
8 And I'll give you just one more example before I  
9 take any questions. Last year I did a show called  
10 the Salon of Art Design. I brought into New York  
11 the top European dealers who belong to the top  
12 French antique association. We had to put up the  
13 show in 36 hours. We started midnight on Sunday  
14 night and my dealers were coming in at 1:00 on  
15 Tuesday. I employed all the unions you see  
16 sitting here. These men got my show up and  
17 finished in 36 hours. In 32 years I didn't think  
18 it was possible. They got it done 'cause they  
19 knew what they were doing. I have had the same  
20 carpenter foreman for 32 years, who you will not  
21 let retire next year when he wants to. [laughter]  
22 Because I want him on my jobs 'cause with him on  
23 my job, no matter what happens, it gets done.  
24 These men are all professionals. Yes, I pay a lot  
25 more money than \$15 or \$18 an hour but it's worth

1  
2 it because I make money on every show I've ever  
3 done, starting with my first show 32 years ago. I  
4 represent the Art Dealers Association America and  
5 I do the art show. They charged \$25 admission  
6 this year because all the money goes to Henry  
7 Street Settlement House, which is a major charity  
8 and settlement house in New York City. Every cent  
9 at the gate, every cent of that \$25 did not go  
10 into my pocket and did not go into Frieze's  
11 pocket, it went to a New York City major charity.  
12 My shows, I charge \$20 admission. It's been \$20  
13 for the last five years. It will remain \$20. I  
14 make money on every show. I have never yet lost  
15 money on any show I've produced and I also do the  
16 International Fine Print Fair for the print  
17 bailers. We make money there and I do the  
18 Antiquarian Booksellers Show for the Antiquarian  
19 Booksellers Association of America and the  
20 international version of it, and they make money  
21 on their shows. Frieze cannot possibly be losing  
22 money paying construction workers \$15 an hour.  
23 It's physically impossible. I'm paying much  
24 higher rates. I'm paying benefits. I am paying  
25 pension and annuity and I still make money. And

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I'm making money at \$33,000 a day rent. Okay?

Thank you.

CHAIRPERSON MARK-VIVERITO: Well, I have a couple of questions, Mr. Smith, 'cause I think at the end of the day your testimony is going to be the most valuable here. [applause]

MR. SMITH: Thank you. Remember that when the contract comes up. [laughter]

CHAIRPERSON MARK-VIVERITO: I think your testimony will be the most valuable today. So, let me ask a couple of detailed questions. Si the Armory shows, the show that you put into, in the Armory, is that negotiated with the Parks Department?

MR. SMITH: Not at all.

CHAIRPERSON MARK-VIVERITO: It's with what agency?

MR. SMITH: It's, I do it with the 7<sup>th</sup> Regiment Army Conservancy.

CHAIRPERSON MARK-VIVERITO: Okay.

MR. SMITH: Which is a non for profit that holds a 99 year lease on the building from the State of New York.

CHAIRPERSON MARK-VIVERITO: Okay,

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so State of New York?

MR. SMITH: State of New York's involved.

CHAIRPERSON MARK-VIVERITO: Now, you say they, \$33,000 a day.

MR. SMITH: A day.

CHAIRPERSON MARK-VIVERITO: How many days average are you, does your exhibits last?

MR. SMITH: Usually they run eight days.

CHAIRPERSON MARK-VIVERITO: Oh, that long?

MR. SMITH: Yeah, they, in other words, when I'm not, the actual shows run four or five days. The construction and the break down adds another between three and four days to it. So, it could run as much as ten or as little as eight, depending on the length of the show itself. But there are other charges there on top of the \$33,000 a day. I have to get a TPA, which is temporary place of assembly permit, 'cause the Armory does not have a complete one yet 'cause they're still renovating. That costs me \$2,300 to

1  
2 file for the permit. I have to maintain traffic  
3 control officers in the street by the agreement  
4 with the Armory to keep the cars moving and not  
5 bothering the neighborhood. That runs me another  
6 \$1,000 on top of that. There are additional  
7 charges on top of that, so the \$33,000 is my rent,  
8 I figured works its way to \$35,000.

9 CHAIRPERSON MARK-VIVERITO: So,  
10 then you're basically, you know, you're basically  
11 saying \$250,000, is what you're--

12 MR. SMITH: [interposing] No,  
13 closer to \$280,000.

14 CHAIRPERSON MARK-VIVERITO: Okay.  
15 I was just trying to just do very rough, rough  
16 round number here.

17 MR. SMITH: [crosstalk] Let's go  
18 higher than lower.

19 CHAIRPERSON MARK-VIVERITO: Okay,  
20 \$280,000 and how many people an average attend  
21 your events?

22 MR. SMITH: They range from 8,000  
23 to 10,000 to the art show which will bring in  
24 12,000 to 15,000, depending on the year.

25 CHAIRPERSON MARK-VIVERITO: At \$20

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a head.

MR. SMITH: At \$20 a head.

CHAIRPERSON MARK-VIVERITO: So, obviously it's a much smaller scale.

MR. SMITH: Yes.

CHAIRPERSON MARK-VIVERITO: Same amount but basically let's say concession fee on, you know, you're basically almost being the same as Frieze but that event is ten times larger?

MR. SMITH: Well, that may be smaller because I'm operating in 30,000 square feet. Frieze is operating at [crosstalk]

CHAIRPERSON MARK-VIVERITO: 250,000 square feet.

MR. SMITH: Now, the other thing you have to realize is that when you operate in a 250,000 square foot tent with about 200 exhibitors you're cost of doing business comes down proportionally because the rent and the expenses are spread over much, much more people, many more people. And Frieze charges \$45,000 to \$75,000 a booth, depends on the size of the booth.

CHAIRPERSON MARK-VIVERITO: So, how many exhibitors do you think would be in a space

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that large of Frieze.

MR. SMITH: 250?

CHAIRPERSON MARK-VIVERITO: Yeah.

MR. SMITH: I would, well they have huge booths. Some dealers take booths that they are paying \$75,000 or maybe even \$85,000. Yeah, I understand that they have about 200 exhibitors.

CHAIRPERSON MARK-VIVERITO: And you have how many exhibitors?

MR. SMITH: I have maximum, well, at the art shows I have 70 and on my book fair we had 200. But those are in very small booths and we don't use walls at that fair, we use pipe and drape to save space. But then again, the booth rent there is \$5,000.

CHAIRPERSON MARK-VIVERITO: Right, much less.

MR. SMITH: Yeah.

CHAIRPERSON MARK-VIVERITO: No, but, I mean obviously you're indicating you're making an incredible argument about, you know, how, this is why the information is important, the reporting, because they're alleging that they lost money. I just can't see that happening at all.

1  
2 MR. SMITH: [crosstalk] You know  
3 what? I don't see that either because they also  
4 have something which is really unique to Europe  
5 which is coming to America. They have large  
6 corporate support. I believe Deutsche, is it  
7 Deutsche Bank? Deutsche Bank is their corporate  
8 sponsor, and BMW, okay. Deutsche Bank puts up a  
9 great deal of money for sponsorship. I don't know  
10 what they do here but at Basil Miami [phonetic]  
11 they put up over \$250,000. The reason that that  
12 was able to go for many years was because the bank  
13 was supporting it, while BMW gives them cars and  
14 money and there are other sponsors before, besides  
15 those two that are smaller. I'm sure they have a  
16 liquor sponsor. I'm sure they have an insurance  
17 company sponsor and they have other sponsors that  
18 also contribute. I don't understand with the  
19 number of dealers, the price of the booth, and \$42  
20 a head at admission how they could lose money.

21 CHAIRPERSON MARK-VIVERITO:

22 Exactly.

23 MR. SMITH: If they are losing  
24 money they should really hire me. [laughter]

25 CHAIRPERSON MARK-VIVERITO: And let

1  
2 me ask you a question with regards to, is there  
3 any reporting requirements that you're made to do  
4 with this entity that--

5 MR. SMITH: [interposing] I file  
6 sales tax with the Sales Tax Department. I file  
7 corporate tax. Do I have to report to the Armory  
8 what I make?

9 CHAIRPERSON MARK-VIVERITO: Mm-hmm.

10 MR. SMITH: No, but the Armory is  
11 very smart. In the front lobby of the Armory in  
12 the ceiling is a laser counting machine so they  
13 know how many people come and how many people go  
14 out at every event. And it's printed out on a  
15 very large graphic which I can get at the end of  
16 the show. So, they don't charge me by the head  
17 but they do know how many physical people are  
18 coming in because our TPA limits the number of  
19 people who could be in the building, in my show,  
20 at any one time during the course of the day. I  
21 also have to have fire guards. I don't know if  
22 Frieze has fire guards. One fire guard for every  
23 100 people plus two additional. Now, if Frieze is  
24 going to have 45,000 people come in, I don't know  
25 if there are that many fire guards in New York

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City. [laughter]

CHAIRPERSON MARK-VIVERITO: Would you have, as an operator and as an exhibitor, I mean, would you have an issue if you were asked to provide a more detailed report in terms of what you do? You know, how many people you hire, for instance on--

MR. SMITH: [interposing] Well, no, absolutely. I mean, that's all record. I can tell you exactly what I hired. For my salon show in the fall, because we did it in 36 hours, I had probably 40 or 45 carpenters. I probably had three or four teamsters and I probably had a dozen expos. And also I had 15 or 18 electricians at the show.

CHAIRPERSON MARK-VIVERITO: Right.

MR. SMITH: To put it all in. And we're using basically the same, the walls for Frieze, my understanding, they're not even supplied by a local supplier. My understanding is the Frieze walls for the dealers are being imported from Illinois by non union truck drivers.

CHAIRPERSON MARK-VIVERITO: This just gets better, doesn't it?

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MR. SMITH: Yeah, I got more.

[laughter]

CHAIRPERSON MARK-VIVERITO: So, did you, I mean, since, I mean, this is an area of interest in terms of, you know, you're in the art world and all that.

MR. SMITH: That's right.

CHAIRPERSON MARK-VIVERITO: Did you participate with Frieze last year at all?

MR. SMITH: No, I did not. These gentlemen came to me to talk to me about it but it was too late. This year they've organized, the unions have organized. Last year it got dropped on them and they weren't aware of it.

CHAIRPERSON MARK-VIVERITO: Okay. I think that's the only question that I have but it's, definitely I would, if we need to reach out to you, you know, it'd be great.

MR. SMITH: Any time. I'll leave you my card.

CHAIRPERSON MARK-VIVERITO: I think you've provided wonderful information here and concerns in general. I know Jeffrey, you've testified many times about the concerns in general

1 that these events pose in our public parklands.  
2  
3 It's a concern in general that we don't do enough  
4 as a city to support our parks. And I think, I  
5 mean, you know, unfortunately we, and I've said  
6 this in other venues, I mean, this administration  
7 is very anti union. We know that and they don't  
8 stand up. I know that when we had the issue of  
9 Tavern on the Green being switched over to a new  
10 operator and that operator, who was the operator  
11 from The Roadhouse, did not want to bring back any  
12 of those union workers, you know, with the level  
13 of the organization that the union did and our  
14 level of involvement we were able to have the  
15 administration reconsider that and be supportive.  
16 And so, that changed. So, there's an opportunity  
17 to change the dynamics here if in a concerted way.  
18 So, I really want to thank everyone that has come  
19 today, all the unions for what you do and, you  
20 know, we do support, I personally support what it  
21 is that you're indicating and I think there's a  
22 lot that has come out of this hearing in terms of  
23 more information and reporting that needs to  
24 happen. And in general, the overall concerns we  
25 have about these types of events, private events

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in parkland and the fact that it takes our park

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space offline. So, with that, I want to, again,

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thank everyone for being here and this meeting,

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this hearing is adjourned.

C E R T I F I C A T E

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

Signature

A rectangular area containing a handwritten signature in cursive script, which appears to read "Tara Juhl".

Date 5/24/13