

**TESTIMONY OF THE MAYOR’S OFFICE OF HOUSING RECOVERY OPERATIONS
BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON RECOVERY AND
RESILIENCY**

November 28 2016

Good Afternoon Chairperson Treyger and members of the Committee on Recovery and Resiliency. I am Amy Peterson, Director of the Mayor’s Office of Housing Recovery.

Build It Back and its partner agencies have worked hard to advance the Mayor’s local hiring priorities throughout the City and, particularly, the Hurricane Sandy recovery process. Together with the Department of Small Business Services, the Office of Recovery and Resiliency, the New York City Housing Authority, and the Department Housing Preservation and Development, we have utilized all of the tools available to ensure opportunities for residents in Sandy-impacted Communities and for low- and moderate-income New Yorkers. These efforts run across the \$20 Billion plan to rebuild and make resilient communities across the five boroughs, and include Executive Order 11246, local hiring commitments, the Workforce1 system—both HireNYC and Sandy Recovery Workforce1—as well as NYCHA’s Section 3 program.

WORKFORCE DEVELOPMENT

HRO

Build It Back has worked to ensure that as our City builds back, Sandy-impacted New Yorkers have the opportunity to learn a new trade and expand their careers and lives.

Beginning in 2014, the Housing Recovery Office focused on integrating the hiring of Sandy-impacted residents into the Build It Back program. Working in partnership with the Alliance for a Just Rebuilding, City Council Members Mark Treyger, Donovan Richards and Carlos Menchaca, and other elected officials, Faith in New York, ALIGN, and other partners, the City established a model for integrating hiring of local residents and training local residents for construction careers into the Build It Back program.

The Housing Recovery Office created the Sandy Recovery Hiring Plan, which is included in Build It Back contracts and focuses on hiring local residents from Sandy impacted neighborhoods. In partnership with the Department of Small Business Services, the City launched Sandy Recovery Workforce1 linking Sandy impacted residents to Build It Back job openings and the wider Workforce1 system. In 2014 and 2015, the City held two large Sandy Recovery Workforce events in the Rockaways and Coney Island, connecting residents to services and opportunities related to Sandy recovery.

As a result of these efforts, over 1,000 Sandy impacted residents have been hired. These include:

- 707 Direct hires for Build It Back
- 55 hires for Build It Back through Sandy Recovery Workforce1
- 113 union apprenticeship placements through Sandy Recovery Workforce1

- 237 hires of Sandy impacted residents in non-Build It Back work through Sandy Recovery Workforce1

Build It Back negotiated the first Project Labor Agreement (PLA) for single family home disaster recovery construction in the country. This is also the first public sector PLA in New York City with a priority for local hiring. The PLA was agreed upon in collaboration with the Building and Construction Trades Council of Greater New York (BCTC) and included a commitment to place 100 Sandy-impacted residents in union apprenticeship programs. I am proud to report that this goal has already been met and exceeded. In addition, this PLA includes an ambitious local hire goal of recruiting 20% of all Build It Back construction workers from Sandy-impacted neighborhoods. We have exceeded our goals ahead of schedule and it is one of the highlights of the process. We believe that these agreements and commitments are a model for future recovery elsewhere, and in New York City.

The City has embarked on an innovative workforce development model connecting your constituents to vouchers for free pre-apprenticeship training and placement. To date, there have been 148 graduates from the following programs: the Edward J. Malloy Initiative for Construction Skills, Nontraditional Employment for Women (NEW), NYC District Council of Carpenters BuildingWorks, and NYC Helmets to Hardhats, an organization that focuses on military veterans. All graduates have the opportunity for direct entry into the City's trade unions, and since the program's inception 108 individuals are now union members.

The Building and Construction Trades Council of Greater New York has exceeded its commitment in its MOU with the City to accept 100 Sandy-impacted residents. To date, the following unions have accepted Build It Back training participants into their ranks: Laborers Local 79; Painters District Council 9; Roofers Local 8; Tile, Marble & Terrazzo Local 7; IBEW Electricians Local 3; Sheet Metal Workers Local 28; Metallic Lathers Local 46; and the NYC District Council of Carpenters, which alone, so far, has taken in 85 residents of Sandy-impacted zip codes. In addition, many of the unions just mentioned, as well as the Plumbers Local 1, have accepted local workers into their membership for Build It Back work through their own, unique community outreach programs. In our testimony at our hearing in September, we highlighted one such resident, Far Rockaway resident, Jamel Dickerson. Since then, Jamel, a card-carrying union Carpenter, has actually moved from working on a high rise on the west side of New York, to working on Build It Back single family homes in his neighborhood in Far Rockaway. Today, his union membership offers him middle class wages and benefits, a pension, annuity, and, someday maybe even a college scholarship for his son.

The City's contracts with our construction management contractors also include an emphasis on hiring Sandy impacted residents with a 20% goal for all positions, including office staff and supervisors. In partnership with the Department of Small Business Services (SBS), we've worked with the City's new Sandy Recovery Workforce1 system, the unions, and our contractors, to connect local residents to the job opportunities created by the recovery work.

All new contracts, regardless of value, are required to submit job postings to, and interview candidates from, the Sandy Recovery Workforce1 system. All vendors are encouraged to employ 20 percent Sandy-impacted residents on their projects.

NYCHA

I would also like to thank the New York City Housing Authority (NYCHA) and our many community partners—in particular Faith in NY—for their strong contribution in program recruitment efforts throughout impacted neighborhoods. NYCHA has hosted 32 events in Brooklyn and Queens since May, including 21 events since September. Guided by *NextGeneration NYCHA*, a long-term strategic plan to create safe, clean, and connected communities, the Housing Authority is investing an historic \$3 billion FEMA grant into the rebuilding of more than 200 Sandy-damaged buildings, making them more resilient and better able to protect current and future residents from the impacts of climate change and future storms. Hiring residents for this construction work – and setting them on a path toward middle-class careers – is a key focus of NYCHA’s Sandy recovery program.

Of the 399 people employed so far, 239 were hired as part of the Section 3 program, far exceeding the program’s requirement that at least 30 percent of new hires for federally funded projects are low-income residents of the community. More than half of the Section 3 hires – 157 individuals – are NYCHA residents, who have been connected to jobs as laborers, electricians, asbestos handlers, security guards, administrative employees, and more. As the construction work progresses and hiring ramps up, NYCHA will ensure that contractors continue to fulfill the Section 3 employment requirements.

The key to a successful hiring program is outreach. Well before construction began, NYCHA assembled a Sandy outreach team that is on the ground in impacted communities to inform residents about Sandy-related job training and employment opportunities, as well as the progress of their Sandy recovery construction projects. Ten of the 17 outreach team members are NYCHA residents. To date, 110,000 flyers have been distributed and nearly 1,400 meetings have been held to let the community know about Sandy recovery progress and career opportunities.

NYCHA’s Office of Resident Economic Empowerment and Sustainability (REES) also plays a vital role in connecting residents to Sandy recovery career opportunities. NYCHA staff refer residents to Workforce1’s pre-apprenticeship classes; since this past May, NYCHA has hosted 42 events in Brooklyn, Manhattan, and Queens to recruit residents for those programs and other opportunities. NYCHA staff also visit the Workforce1 Career Centers to provide residents with life-changing resources and services. For instance, nearly 200 residents have completed OSHA training, which will help prepare them for careers in construction.

In addition, NYCHA secured \$1.4 million from HUD to create a pre-apprenticeship program that will connect Sandy-impacted residents to union jobs. NYCHA released a Request for Proposals, but did not receive responses from potential partners who would develop the training and job placement program. NYCHA is committed to setting up this program; and is evaluating the next steps to bring it to fruition.

ORR/BROADER WORKFORCE EFFORTS

As the city took stock of the damage post-Sandy, it was clear that we could not just plan to ‘recover’ from the storm. In response, the City proposed a more than \$20 billion resiliency

program to address not only the risks of ‘another Sandy,’ but to broaden our approach to the risks of climate change and other threats. Our vision for resiliency has New Yorkers front and center, including the creation of opportunities to access employment and the training needed to be eligible for the jobs the City’s investments are generating.

The City’s recovery and resiliency investments on infrastructure and critical services have generated thousands of work opportunities in the construction industry for local residents and Sandy-impacted New Yorkers. Projects including the School Construction Authority’s citywide school facility repair and mitigation, NYCHA’s recovery and resiliency program, and the reconstruction of the Rockaway Boardwalk have created more than 9,500 job opportunities for New Yorkers. More than 5,300 individual workers were hired by our construction industry partners, two-thirds of whom were from Sandy-impacted communities. To further integrate workforce development into the resiliency program, the City aims to build on the successful model designed for the Build it Back program for infrastructure projects.

The Mayor is committed to leveraging the City’s purchasing power and involvement in construction and real estate transactions to create jobs and training opportunities for the people we serve. This commitment to maximize job opportunities through the City’s procurement system and economic development investments was outlined in two recent City reports, *One New York: The Plan for a Strong and Just City* and *Career Pathways: One City Working Together*. In 2014, the City established a “First Look” hiring process requiring employers receiving City business to review and consider local qualified workers from workforce development programs at the front end of their hiring process.

Through HireNYC, Mayor Bill de Blasio is delivering on his commitment to leverage the City’s purchasing power and investments in construction and real estate to create jobs and training opportunities for New Yorkers. HireNYC provides free, high-quality recruitment services to vendors and businesses filling open positions through City contracts and development projects, and also help New Yorkers better access these jobs.

HireNYC connects construction job opportunities generated by NYCEDC and HPD projects to low-income workers. Qualifying developers, General Contractors and sub-contractors are required to enroll with the HireNYC portal and interview qualified candidates who meet the requirements of the entry and mid-level positions associated with the contract. Solicitations for NYCEDC projects above \$1 million and HPD projects above \$2 million contain new language requiring HireNYC obligations. Additionally, this program establishes employment targets related to hiring, retention and advancement for permanent jobs created by businesses at City-supported development projects, including tenants of NYCEDC-managed properties. NYCEDC has expanded this program to new project types and projects receiving assistance from the New York City Industrial Development Agency and BuildNYC Resource Corporation. Contractors and subcontractors of these projects with 10 or more permanent positions have to consider Workforce1 candidates.

The Mayor’s Office of Contract Services, Law, and other agencies will procure and implement a web-based labor law compliance management system to track data related to the City’s contracted workforce across multiple agencies delivering capital projects and contracted

services, and to improve visibility into M/WBE businesses. ORR in collaboration with NYC Department of Small Business Services has begun to engage the construction contractor community through our quarterly Contract Look Ahead to encourage minority and women-owned business participation in the City's resiliency program.

With the completion of the Hurricane Sandy Loan and Grant Program we have invested \$54 million in 350 businesses. This has helped to retain and create thousands of jobs, and has preserved vital commercial corridors across neighborhoods ravaged by Hurricane Sandy.

Resiliency also means economic resiliency. With the Build It Back PLA, the Workforce1 services and job training opportunities, NYCHA's Section 3 program, the City is creating a path to the middle class as these communities literally rebuilds themselves to prepare for an uncertain climate future.

Thank you for providing the opportunity to report on these updates. We are happy to answer any questions you may have.