

Proposed Community Hiring Rules

Public Comments

Comments Submitted via Email

- Gregory J. Morris, New York City Employment and Training Coalition
- Lizmary Rodriguez, Building & Construction Trades Council of Greater New York & Vicinity
- Vincent Albanese, Amanda Jensen, New York State Laborers' Political Action Committee
- Tavonia Davis, Verizon
- Bill Murray, Kenneth K. Fisher, American Council of Engineering Companies of New York
- La'Shawn Allen-Muhammad, Central Brooklyn Economic Development Corporation

Comments Submitted via NYC Rules website

- Ariel
- Lourdes Nanong
- Reginald H. Bowman, Public Housing Residents of the Brownsville Community
- Felice Farber, Subcontractors Trade Association

Testimony of New York City Employment and Training Coalition (NYCETC)

On Community Hiring Proposed Rules

Submitted by Gregory J Morris, CEO

November 13, 2024

I'd like to thank the Office of Community Hiring and Workforce Development (OCH) for the opportunity to provide testimony today. I want to extend my appreciation, in particular, to Douglas Lipari, Executive Director, Office of Community Hiring at the City of New York, and the OCH team for their outreach and insight. I'm Gregory J Morris, CEO of the New York City Employment and Training Coalition (NYCETC) - the country's largest city-based workforce development association. NYCETC serves as the 'industry voice' of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 200,000 New Yorkers annually—primarily individuals living in under-resourced and underserved neighborhoods. Our coalition connects New Yorkers of all ages in every borough to quality jobs, a living wage, and the services and support necessary to secure long-term, family-sustaining employment.

To achieve an effective and sustainable workforce development ecosystem in NYC, NYCETC is called upon to take three actions:

1. Track the value/impact of the commitments that the administration makes in support of job readiness and training;
2. Serve as a resource to employers and employer intermediaries seeking talent and
3. Advocate for budgetary, legislative, and regulatory action items that maximize access and equity in the programs and services that are central to our efforts. These efforts include industry-specific skill development, college and career exploration, internships and apprenticeships, reskilling/upskill options, employment placement, retention, and advancement assistance.

The New York City Office of Community Hiring (OCH) has proposed rules for a Community Hiring (CH) Program to foster employment opportunities for low-income residents and individuals from economically disadvantaged communities. This initiative holds significant promise; however, several concerns for our network of providers need to be addressed to ensure the program's effectiveness, sustainability, and alignment with community needs. This testimony addresses key issues, community concerns, and recommendations to enhance the program's impact.

Accountability and the "Best Efforts" Requirement

One primary concern concerns contractors' "best efforts" requirement to meet community hiring goals. Community members worry that "best efforts" language is too ambiguous, potentially allowing contractors to underperform in meeting hiring goals without facing meaningful consequences. Although the proposed rules outline penalties for non-compliance, including fines for not demonstrating best efforts or taking corrective action, they do not explicitly indicate how repeated non-compliance might affect contract renewals. To address this, OCH should clarify the potential impact of sustained non-compliance on future contract renewals. Additionally, by defining specific examples or measurable

criteria for "best efforts," the program can improve contractor accountability and set more explicit expectations.

Data Reporting and Burden on Workforce Providers

A second concern centers on the administrative burden associated with data reporting. Workforce providers express that data collection and reporting requirements may become overly burdensome, mainly if they involve duplicative requests for participant information, thus consuming staff resources and potentially frustrating participants. The proposed rules require documentation of employment hours and other compliance data, yet they must provide provisions to minimize redundancy or facilitate more efficient reporting processes. To alleviate these concerns, OCH could implement a centralized data system allowing for data sharing across relevant city departments, reducing the need for repeated data submissions. By working collaboratively with workforce providers, OCH can create a balanced data collection framework that ensures compliance without overburdening providers, possibly incorporating automated data transfer mechanisms to streamline reporting.

This collaborative approach is essential, as nonprofits face significant operational challenges rooted in complex bureaucracy and chronic underfunding by the government. The burdensome administrative requirements, compounded by delays in contract approvals and payments, often leave nonprofits in a precarious financial position, operating without funds for extended periods despite fulfilling service obligations. The City owes hundreds of millions of dollars to the nonprofit sector, and the resulting red tape directly undermines their ability to serve communities in need. To bridge funding gaps, many organizations are forced to take on costly loans while awaiting overdue government payments, diverting resources from essential services and impacting their capacity to support those in crisis. A streamlined and cooperative approach to data collection can alleviate some of these administrative pressures, allowing nonprofits to focus more fully on their mission of community support.

Referral and Job Matching Process

Community members also voice concerns over the referral and job-matching process, fearing a lack of coordination among multiple referral sources could hinder the program's efficiency and limit equitable access to job opportunities. Although the rules establish the presence of approved referral sources, they need a detailed process for managing and coordinating these referrals.

Additionally, workforce providers have emphasized the need for specific examples, or use cases, of job roles and hiring processes to prepare candidates better and clarify each stakeholder's role in the hiring pipeline. The proposed rules provide broad guidelines but need more practical illustrations tailored to various contract types and hiring scenarios. By developing and sharing detailed use cases with providers—including hypothetical job types and scenarios—OCH can foster better alignment among stakeholders, helping providers prepare candidates effectively and streamline the hiring process. To address these issues, OCH can convene and activate key intermediaries within the workforce development ecosystem - city agencies, intermediaries including NYCETC, JobsFirstNYC, WPTI, New York Jobs CEO Council, and CUNY - to create a centralized system that transparently matches candidates with available positions. By leveraging technology for real-time job matching, the program can ensure a fair

and organized referral process that offers equal access to opportunities for all candidates.

Data Utilization for Research and Policy Analysis

Lastly, there is strong interest in leveraging program data for workforce policy analysis to assess career outcomes and guide future initiatives. While the proposed rules include quarterly and annual compliance reporting, they should also address the potential of this data to support broader policy research. By collaborating with research institutions, OCH could develop a data strategy that measures compliance and captures long-term impacts on job quality, career advancement, and economic mobility. Such a partnership would allow the program to provide valuable insights for ongoing workforce development in New York City, equipping the New York City Workforce Development Board and Council with the data and clarity needed to advise and monitor the City's efforts to boost economic mobility and drive economic growth.

The OCH Community Hiring Program represents an important step toward fostering equitable employment practices in New York City and strengthening the backbone of its economic success. Addressing these community concerns—related to administrative burdens, accountability, referral coordination, and data-driven analysis—will enhance the program's efficiency and help create meaningful employment opportunities for residents in economically disadvantaged communities. A robust workforce development system is crucial to equalizing opportunity, increasing access to quality jobs, and supporting the City's economic growth. By providing New Yorkers with the resources and education needed to access well-paying, sustainable jobs, we can build a workforce that reflects the diversity and ambition of this City and moves us closer to a truly inclusive economy. Thank you for considering these insights as you refine the OCH Community Hiring rules to maximize their positive impact on New York City's workforce and communities.



BUILDING & CONSTRUCTION TRADES COUNCIL OF GREATER NEW YORK

GARY LaBARBERA
PRESIDENT

AFFILIATED WITH THE
BUILDING CONSTRUCTION TRADES DEPARTMENT
OF WASHINGTON, DC
NABTU
NYS BUILDING AND CONSTRUCTION TRADES COUNCIL
AMERICAN FEDERATION OF LABOR AND CONGRESS
OF INDUSTRIAL ORGANIZATIONS

TESTIMONY

On behalf

BUILDING AND CONSTRUCTION TRADES COUNCIL OF GREATER NEW YORK AND VICINITY

Regarding Proposed Rules Implementing the Community Hire Program Authorized by Section 3502 of
the New York City Charter

November 13, 2024

The Building and Construction Trades Council of Greater New York & Vicinity ("BCTC"), thanks you for the opportunity to submit these comments regarding the Office of Community Hiring and Workforce Development's Proposed Rules implementing the Community Hire Program Authorized by Section 3502 of the New York City Charter. The BCTC is an organization of local building and construction trade unions that are affiliated with 15 International Unions in the North American Building Trades Union. Our local union affiliates represent approximately 100,000 union construction workers. The BCTC's mission is to raise the standard of living for all workers, to advocate for safe work conditions and to collectively advance working conditions for our affiliates' members, as well as all workers in New York City.

The BCTC proudly negotiated a groundbreaking Project Labor Agreement with the City of New York that established strong community hiring goals to provide opportunities for residents of disadvantaged communities throughout the City of New York. Additionally, our affiliates sponsor apprenticeship programs and participate in pre-apprenticeship programs that conduct outreach to various demographics throughout New York City, including New York City public high schools in order to raise awareness of opportunities to gain entry into the unionized construction industry and the ability to earn a middle-class lifestyle with good wages and benefits. Through these programs, we educate new candidates on the requirements to work in the industry and provide our apprentices with classroom instruction and on the job training within their respective craft so that they can learn a trade, understand how to work safely, and to place them on a career path.

For these reasons, we are proud to work with the City in negotiating project labor agreements that provide opportunities for our City's residents to gain entry into the construction field, master a craft, and start a career path that allows them to provide for themselves and their families with dignity. This is also why we supported State legislation to create the Office of Community Hire and Workforce Development to expand the opportunities provided in our project labor agreements to all the City's procurement arms.



However, we are concerned that the proposed rules place additional obligations, requirements, and oversight of Union Referral Systems, which are already governed by various Federal and State rules and regulations. Generally, the Community Hiring Legislation is intended to place hiring goals on employers. The employers should be responsible for verifying and tracking their progress towards meeting these goals and the burden should not be shifted on Union Referral Systems. Additionally, because of their history and the legal framework under which they have been operating for years, Union Referral Systems were to be deemed approved referral sources and should be exempt from additional oversight or compliance.

With respect to the proposed rules, we provide the following specific comments:

- Section 2-02 is entitled “Certification.” Sub-paragraph “a” addresses Certification of Residence-Based Community Hire and sub-paragraph “b” addresses Certification of Income-Based Community hire. In both provisions, the burden is placed on the Referral Source to identify individuals who meet residence or income requirements. Union referral sources are often governed by Federal and State laws. There are also recordkeeping and reporting requirements imposed on referral sources as well as additional oversight. The BCTC maintains that the purpose of the law is to place hiring goals on contractors. Referral sources can help contractors meet their goals, however, the contractors or employers must be responsible for verifying or attaining self-certification of residence or income from the workers directly. Contractors should not be able to avoid these goals by relying on referral sources. Additionally, the Rules should not overburden referral sources by adding additional record keeping or reporting requirements. The Director’s report, as outlined in Section 6-02, is based on Contractors’ progress towards meeting hiring goals, as such, contractors must be responsible for tracking their hires and meeting their goals.
- The proposed Rules are not clear as to whether Union Referral Systems must submit responses to referral source solicitation. The BCTC believes Union Referral Systems should be included as acceptable referral sources without having to respond to a solicitation.
- Similarly, Section 3-03 and 3-04 places additional obligations and responsibilities on Union Referral Systems that are not intended by the State legislation amending City Charter chapter 79, Section 3501 et. seq. The amendment to the City Charter recognized that Union Referral Systems, especially in the construction industry, operate under Federal and State regulatory frameworks. There was no intention to provide additional municipal oversight over these Union Referral Sources. Additionally, there should be no further obligations or requirements imposed on Union Referral Sources.
- Section 4-01 provides for an exclusion to the community hiring goals for transactions with an Original Value of \$3 million or less. It is not clear why such an exclusion is in place.

While we are generally supportive of the Office of Community Hiring and Workforce Development, and the proposed rules, we believe the role of Union Referral Systems should be examined more carefully and that the proposed rules be modified to address the unique regulatory framework under which Union Referral Systems already operate.

We thank you again for this opportunity to provide comments on the proposed rules.



November 13, 2024

Douglas Lipari
Executive Director
Office of Community Hiring
1 Liberty Plaza, 11th Floor
New York, NY 10006.

Comments Re: Proposed Community Hiring Rules

Dear Executive Director Lipari:

The New York State Laborers' Political Action Committee (NYS Laborers' PAC) is an organization representing over 40,000 union members and 24 local unions. The NYS Laborers' PAC aggressively advocates for wage and safety standards for our members, raising the floor for both union and nonunion construction workers. We appreciate the opportunity to provide feedback on the proposed community hiring rules.

The NYS Laborers' PAC fully supports the proposed community hiring rules and the plan for implementation. Through the execution of these rules, New York City will be on the path to ensuring New York City residents and those with income-based needs have access to quality careers. We firmly believe the 30 percent community hiring goal will provide needed opportunities for countless New Yorkers, serving to uplift individual New York City residents, as well as the economy as a whole. We also agree with the \$3 million project threshold to cover an adequate number of projects and capture a significant amount of man hours. Additionally, the project labor agreement (PLA) exemption is necessary, as community hiring goals and community benefit agreements are already outlined within these negotiated agreements with New York City. We also applaud and fully support the use of union referral sources affiliated with apprenticeship programs with a direct entry pathway as referral sources under the Office of Community Hiring standards. These union referral sources must be certified under the Office of Community Hiring to ensure local residents have access to careers in the construction industry. Overall, the plan for implementation is thorough and fully considers the needs of New Yorkers. We look forward to its execution.

Although the NYS Laborers' PAC supports the rules as outlined, we are seeking stronger and more robust enforcement mechanisms, as well as added protections for workers seeking jobs through referral sources. The fine structure is relatively low and noncompliance could be viewed by some bad actors as the cost of doing business. Additionally, workers seeking employment through referral sources should be protected from those seeking monetary gain and personal enrichment. It should be made explicitly clear that referral sources cannot charge those seeking employment a fee for job placement. This is critical to protecting workers, as well as the integrity of the community hiring program. Finally, the community hiring goals and directives should be applied to all contractor tiers on covered projects, including subcontractors.



The New York State Laborers' PAC looks forward to continuing to work with the Office of Community Hiring to realize the laudable goals and intent of the state legislation. Thank you for your attention to this important topic.

Sincerely,

Vincent Albanese
Director
New York State Laborers' PAC



**140 West St., 7th Flr.
New York, NY 10007**

**Tavonia Davis
Regional Director
State Government Affairs
Public Policy, Law & Security**

November 13, 2024

Office of Community Hiring
1 Liberty Plaza Room
11th Floor
New York, NY 10006

RE: Comments to Proposed Community Hiring

Verizon applauds the Office of Community Hiring and Workforce Development's plans for a community hiring program through the procurement process. Verizon demonstrates its robust commitment to community hiring through the many educational, recruitment, hiring, and training efforts it conducts across New York City. We offer these comments to express our support for the program generally and our hope that the program will be tailored for success by explicitly limiting it to clearly defined new procurement contracts that naturally lend themselves to such hiring opportunities.

Verizon is committed to making every effort to hire in the communities it serves and train its workforce to excel at the highly skilled jobs that the company offers. Verizon's global network of over 106,000 employees, including 4,848 New York City residents as of March 2022, is one of our most valuable investments. Verizon recruits new employees to build a diverse workforce with the skills, potential and motivation to give the company a competitive edge now and into the future. We review our job postings to ensure use of inclusive language and eliminate degree or certification requirements where possible. We conduct a consistent hiring process that

considers qualified candidates in a fair and equitable manner. We maintain competitive and robust internship and co-op skill accelerator programs that provide real-world experiences to students and serve as pipelines for potential new talent. Further, we are building partnerships with high school, college and professional organizations, such as the National Academy Foundation, to enhance the diversity of our pipelines. We post open positions on diversity-focused third-party platforms, such as GI Jobs, Girls in Tech, AARP and HBCUConnect, in addition to traditional job sites. We also recruit from Verizon's paid Thrive Apprenticeship program, which offers vocational training and opportunities to develop in-demand digital skills and a path to a career in the tech industry.

We understand that building the workforce we need starts with supporting education. To help bridge the digital divide, Verizon works with nonprofit partners and edtech leaders on the free Verizon Innovative Learning initiative with a goal of reaching 10 million youth with digital skills training by 2030. Since 2012, Verizon has enabled more than 600 Title I schools and over 40 colleges and universities to offer new and engaging learning experiences by providing technology-integrated curriculum, extensive support for educators and administrators, emerging technologies, and internet access. Additionally, Verizon has expanded access to its education programs to all educators nationwide through free access to immersive applications for any device and tech-focused learning resources through an online portal, Verizon Innovative Learning HQ. Verizon Innovative Learning has reached more than 7 million students and provided over \$1 billion in market value to support STEM education. In New York, 35 schools,

many in New York City, are Verizon Innovative Learning Schools, and 5 of those schools also have Verizon Innovative Learning Labs that enhance the educational experience with emerging technologies and a custom-built learning environment. Across New York State, over 131,000 students have been impacted by Verizon Innovative Learning.

Verizon also offers extensive opportunities for employees to develop skills in new areas, ranging from sales and customer service to emerging technical areas, such as data science and 5G technology. Verizon's Get Certified program provides access to industry-leading certification preparation courses, guidance and funding to support professional development. Verizon employees are also provided with up to \$8,000 annually through our Global Tuition Assistance Program to fund higher education studies from a wide range of accredited schools. In 2023, over 4,700 employees took advantage of our tuition assistance program. Verizon invested over \$20 million in this program in 2023.

We demonstrate commitment to our local communities by working with third-party suppliers that live and work in New York City. In 2023 alone, we spent directly and indirectly, more than \$6 billion in goods and services with diverse suppliers. Over the last 10 years, Verizon has spent more than over \$54 billion with diverse suppliers and has a committed direct spend of \$1 billion per year. The Verizon Public Sector Partner team hosts weekly partner capability briefings with potential small business partners across all socio-economic categories.

We are also meeting our commitment to the community on existing contracts. As part of a recent engagement with NYCHA, Verizon met its commitments to (a) making best efforts to

hire members of the community, (b) creating a NYCHA-specific flyer with a QR code for a link to our career site, (c) connecting NYCHA with our recruiting partner Multiverse to ensure they were passing information effectively between the two groups, (d) creating a NYCHA-specific talent network source-of-influence link to be able to track applications to any position and link them to residents, and (e) sharing with NYCHA the recruiting window for Thrive positions as early and often as possible.

Thus, Verizon is already investing heavily in the New York City communities it serves, and will continue to do so. It applauds the City for this effort and believes the new guidelines are best suited for contracts where there is a natural fit between the services being procured and opportunities to engage new employees. Unfortunately, that fit does not exist for certain of Verizon's contracts with the City, and we recommend that the City specify that such contracts are excluded from the scope of these rules. We have the following concerns and recommend the following changes.

First, the types of City contracts covered by the guidelines should be even more explicitly defined. Section 1-03 of the proposed rules states that they apply to "procurements for human services, standard services, professional services, construction-related services and construction." Although the relevant definition of procurement is limited to "buying, purchasing, renting, leasing or otherwise acquiring any goods, services, or construction," it should be made explicitly clear that the guidelines would not apply to other agreements between the City and communications providers, such as franchise agreements.

Second, although we believe the current scope would not include them, the rules should make explicit that the program would not apply to technology or communications contracts. By definition, the scope of the rules is limited to human services/client services, standard services (e.g., security guard services), professional services, construction, and construction-related services. But over time, interpretations of definitions related to “services” can become more expansive than originally intended, and thus clear limitations should be put in place at the outset to ensure that the contracts at issue are a good fit for the program. There are numerous reasons why technology and communications contracts do not align well with the proposed rules. Verizon’s staffing levels reflect the overall needs of the business and are not tied to work on individual contracts. Indeed, opportunities for new employees could be limited because the services provided are offered over Verizon’s network and may not trigger a need for additional workforce. Without the proposed clarification, if a company were to enter into a contract with the City to provide some form of technology for \$5 million, it would need to hire ten people to meet the mandate. But there may be no need for new hires to work under that contract because the work can be handled by existing employees, among them the thousands that live and work in New York City.

Third, and relatedly, the guidelines should not apply to the type of construction and construction-related services that might be incidental to a technology or communications contract as that work relates to the building of a private network, not a public work. Any construction work done under a technology or communications contract is not for the

construction or repair of a public work – rather, it relates to a contract to provide services using Verizon’s own network that is being expanded at the company’s risk and for the company’s own benefit. This is not a situation where an agency solicits bids for the construction of something that the City will own (as the City would for a “public works” construction contract).

Fourth, the program should be explicitly limited to new contracts. Applying these rules on an ex post facto basis would upend settled business expectations and potentially invite legal challenges.

Fifth, and finally, the rules should clarify the process and entities responsible for resolving any disputes relating to the applicability of these rules. It is unclear which entity would be responsible for interpreting the guidelines or how to appeal determinations.

Verizon remains committed to partnering with New York City to promote its important community hiring goals. We respectfully request adoption of the above-requested changes to these rules. We would be happy to answer any questions you might have.



Testimony of the American Council of Engineering Companies of New York
Concerns about the Community Hiring Rule as Drafted
November 13, 2024

About ACEC New York: The American Council of Engineering Companies of New York (ACEC New York) is an association representing nearly 300 licensed engineering and affiliate firms with 30,000 employees in New York. Our members design the mechanical, electrical, energy performance, structural, plumbing, civil, environmental, fire protection and technology systems of buildings and infrastructure for public and private owners across New York.

Comments to the proposed rule: Our member firms understand and generally support the idea of leveraging City contract funding for social good beyond the delivery of the highest quality engineering services.

- Advancing the public's interest is core to a licensed design firm's work, making sure that City infrastructure and facilities are not only safe and efficient, but also, for example, designing the built environment to support the City's sustainability, resiliency, transportation, and affordable housing goals. Firms that contract with the City to provide engineering services also recognize the value of growing the capacity of emerging firms through MWBE contract goals and strive to constantly expand partnerships and opportunities as a professional community. Presently, about 25% of our membership are MWBE firms.
- However, we believe the Community Hiring requirements as conceived in the proposed rule are not well-designed for *engineering contracts* which, by nature and definition of the technical work they involve, are generally contracts that are serviced by *licensed professional engineers*.
- As engineers, when designing a new structure, we must always first fully understand existing conditions, as well as the impact that introducing new stresses will cause, and then determine the most thoughtful path to designing a solution that accomplishes our goal. We respectfully ask that the City adhere to this core principle in structuring the proposed rule's details so that it is appropriately suited to the City's engineering industry without causing unintended consequences.
- We want to first call attention to the factors identified in the proposed rule which provide valid reasons for which the contractor (ie. engineering firm) would be released from the Community Hiring requirements of the rule. The rule states, in exercising best efforts, the contractor is not required to "undertake an undue financial burden that is deemed to be excessive or unwarranted in view of factors including, but not limited to, Contractor's

size and financial resources.” We believe this factor must be considered in context of the *contract* size itself, not in context of the contractor’s size/financial characteristics.

- Assume, for example, a \$3 million contract for engineering services. The Proposed Rule would require six Community Hires (ie. “One Income-Based Community Hire for every \$500,000 in total value of the transaction”).
 - At the skill level required for basic administrative support positions in an engineering firm, compensation would be on the order of \$50,000 per year for salary alone, times the six required new employees. This figure does not include additional standard employee costs such as insurance, fringe benefits, training, and equipment. In this example, the salary alone cost to meet the rule’s requirement represents *10% of the contract value just for wages*. This would be substantially *all of the profit* that the engineering firm would have made on this contract.
 - The unintended consequence of this is that a smaller pool of licensed engineering firms will choose to submit proposals for City contracts containing this requirement. This might seem unlikely, but the reality is that for years there were many companies – many of whom the City sought after to participate in the engineering contract market – who opted to not pursue City engineering contracts due to them being based on lowest price. It was after the City’s adoption (in PPB rules) of Qualifications Based Selection (QBS) that this problematic trend was reversed, the pool of engineering firms proposing on city contracts expanded, and competition increased.
- Further, the rule as drafted guarantees that virtually no hires are going to come out of the Community Hiring program with the technical skills that are necessary to directly work on City engineering contracts. If a person is making 300% of the federal poverty threshold or less (per the rules definition), then they are almost certainly not a licensed professional as salaries in this profession is currently significantly higher than this level in both the public and private sector (note: there is a nationwide shortage of Professional Engineers, and there is currently significantly more demand than supply of this type of professional). Again, the core insight not reflected in the proposed rule is that the overwhelming majority of engineering firm employees who are assigned to any given City engineering contract are *licensed* professionals of whom few would meet the income criteria of a Community Hire.
 - This means the rule sets forth that City engineering contracts would require the hiring of non-technical employees for whom the contract itself does not create work. The rule seems to recognize this, stating: “Goal-setting based on the value of the transaction would allow contractors and subcontractors to employ Community Hires in positions that are not directly related to the services provided under the particular transaction.”
 - As such, Community Hires would be placed on engineering firm payrolls without them necessarily working on the contract that required their hiring. If the City is prepared to hold engineering firms harmless and compensate them to develop these employees as an unstructured training program connected to each contract, that might provide a viable path forward. But the reality is, absent compensation to offset the cost of carrying additional employees unrelated to the given City

contract, it is unrealistic to expect engineering companies can absorb a reduction in compensation of this magnitude which equates, in many cases, to working for no profit.

- It is important to note here, additionally, that professional design fees are heavily negotiated by the City agencies, and costs are aggressively audited by the agency staffs. If the City nonetheless believes the benefits outweigh the costs, agencies must be required by MOCS and the PPB Rules to bear these direct and indirect costs.
- Finally, we also believe there needs to be additional definition in the rule to clarify various questions including:
 - How long must a Community Hire be employed by the contractor?
 - What happens if the Community Hire is terminated for cause, do they need to be replaced?
 - Is a contractor required to pay a Community Hire anything beyond a minimum wage? Note, even if the firm paid minimum wage and no fringe benefits, the cost of 6 employees on a \$3 million project would substantially erase any profit.
 - What if the Community Hire leaves the job to pursue a different opportunity or for any other reason?
 - Is the Community Hire required to be employed for the life of the contract?

In closing, we are grateful to the Office of Community Hiring for making efforts to engage with ACEC New York and soliciting our feedback.

Considering the feedback we offer above, we respectfully request the rule not be implemented as presently drafted until we have an opportunity to further engage and work through the mentioned issues, and particularly to address the cost burden that is being proposed. Thank you.



CENTRAL BROOKLYN ECONOMIC DEVELOPMENT CORPORATION

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November 13, 2024

Abby-Jo Sigal
Executive Director
NYC Mayor's Office of Talent and Workforce Development
1 Liberty Plaza
New York, NY 10006

Dear Abby-Jo,

NYC Mayor's Office of Talent and Workforce Development Community Hiring Public Hearing on State Legislation S7387B

I hope this message finds you well. This letter is submitted on behalf of Central Brooklyn Economic Development Corporation and its Board of Directors.

Central Brooklyn Economic Development Corporation (CBEDC) appreciates the opportunity to provide comments regarding the Community Hiring Bill (S7387B). As a longstanding advocate for equitable workforce development, CBEDC strongly supports this legislation's intent to empower communities with greater access to sustainable employment opportunities. However, to maximize the bill's impact on economic mobility in communities like ours, we respectfully request the inclusion of specific parameters to ensure authentic community participation and that the income criteria be re-evaluated to 150% of the federal poverty level rather than 300%.

CBEDC requests the following amendments and considerations for inclusion in the proposed rules. The current income threshold of 300% of the federal poverty level potentially undermines the intent to prioritize the most vulnerable residents. In urban areas such as Central Brooklyn, where cost-of-living expenses are high, families and individuals who fall within 150% of the federal poverty level are among the most impacted by employment disparities, limited job access, and economic instability. CBEDC's proposed threshold aligns resources more closely with those in greatest need, ensuring that those who face the highest barriers to employment are prioritized.

A threshold of 300% opens eligibility to a wider population, including those with more stable financial situations who may not face the same employment barriers. Households at or below 150% of the federal poverty level face greater obstacles to achieving sustainable employment and

economic mobility. These residents are more likely to experience chronic unemployment or underemployment and face structural barriers such as limited access to affordable childcare, transportation, and skills training. The proposed FPL threshold adjustment supports the legislation's purpose: to bridge economic gaps and foster sustainable economic uplift within communities that have faced chronic underemployment and unemployment.

Inclusion of Community Engagement Parameters

To ensure that local residents are fully aware of and prepared to benefit from community hiring opportunities, we propose the following parameters to strengthen community participation and benefit.

Implementation of a dedicated Outreach and Engagement Strategy Taskforce

Rules should include mandates for the development of a taskforce of community-based organizations from the most vulnerable neighborhoods. This approach will connect residents most impacted by employment barriers with these critical opportunities.

Annual Reporting and Evaluation on Community Impact

Transparency and accountability are essential. We recommend an annual report requirement, where employers and community-based organizations report on the program's impact in terms of hiring statistics, income level targets, and community engagement results. This data will help refine and improve the program to meet evolving community needs effectively.

In closing, we emphasize the importance of updating the income eligibility criteria to 150% of the federal poverty level and including comprehensive engagement, support, and transparency measures. Such refinements will enhance the effectiveness of community hiring initiatives, ensuring that they create lasting, equitable impact for the Central Brooklyn community and beyond.

We urge the Mayor's Office to consider these recommendations to improve the proposed bill's impact. Doing so will enhance the effectiveness of this promising initiative in advancing economic equity across New York City's communities.

Sincerely,

La'Shawn Allen-Muhammad
Executive Director
Central Brooklyn Economic Development Corporation (CBEDC)

Community Hiring Rules

 rules.cityofnewyork.us/rule/community-hiring-rules/

Rule status: Proposed

Agency: OCH

Comment by date: November 13, 2024

The Office of Community Hiring and Workforce Development is proposing rules for the implementation of the community hiring program authorized by Section 3502 of the New York City Charter. Community Hiring is designed to leverage the City's purchasing power to require contractors and subcontractors to make best efforts to employ low-income individuals and residents of economically disadvantaged regions.

Comments are now closed.

Online comments: 4

Ariel

How can non profits be added to the directory of approved "referral sources".

Comment added October 24, 2024 3:42pm

Lourdes Nanong

This great initiative, if managed well I, could definitely help close economic gaps and boos employment in communities that need it the most.

Comment added November 4, 2024 8:20am

REGINALD H. BOWMAN Chairman Brooklyn East District Council, NYCHA

Tuesday November 12, 2024

To Whom It May Concern:

We, the Public Housing Residents of the Brownsville Community, respectfully submit this Letter of Support and Comment regarding the proposed rules for the operation of the Office of Community Hiring and Workforce Development.

First, it is a matter of public record that the original framework for the Workforce Development Project was conceived and proposed for legislation by local minority-owned businesses and community-based organizations rooted in Brownsville. This history underscores the importance of maintaining the project's focus on empowering and benefiting the communities that contributed to its inception.

Second, we emphasize the need for a collaborative partnership between the Office of Community Hiring and Workforce Development and local organizations. Specifically, we call for a formal partnership with the Central Brooklyn Economic Development Corporation (CBEDC) to ensure that the program effectively serves the residents of public housing developments and the broader local community. CBEDC's established track record of community engagement and workforce development uniquely positions it to play a vital role in achieving the program's goals.

Finally, we respectfully request that our comments and suggestions be incorporated into the creation of the new rules governing the Office of Community Hiring and Workforce Development. Ensuring that community input is reflected in the final framework is critical to building a program that genuinely addresses the needs of the people it is intended to serve.

Thank you for considering our input and for your ongoing efforts to create opportunities for economically disadvantaged communities.

Sincerely,

Reginald H. Bowman

On behalf of the Public Housing Residents of the Brownsville Community

Comment added November 12, 2024 3:46pm

Felice Farber

See attached document.

Comment attachment

Comments-on-Community-Hire-Proposed-Rule-11.13.24.pdf

Comment added November 13, 2024 10:07am



Testimony of Subcontractors Trade Association
Concerns about the Community Hiring Rule as Drafted
November 13, 2024

About STA: Subcontractors Trade Association represents 350 union specialty trade contractors in the New York metropolitan area. Our members represent every specialty trade that builds New York's public works projects.

Concerns Regarding Community Hire Program Proposed Rules: STA supports efforts to create economic opportunities for New Yorkers. Our members are unionized subcontractors who hire directly from the union hall and operate under union collective bargaining agreements. Construction work is a skilled trade, and many subcontractors rely on a core group of experienced workers who move between projects. This continuity helps ensure operational efficiency and productivity, which are critical for maintaining competitiveness in the industry

Our feedback on the draft rules for the Community Hire program is aimed at ensuring the program meets its goals without imposing undue administrative burdens on subcontractors, particularly small, family-owned businesses. To achieve this balance, we offer the following comments and recommendations:

- **Compliance Reporting:**
Compliance with the Community Hire program should be based on existing reporting requirements, such as certified payroll reports, and in the same format as currently required. Introducing a new report with a different format would create unnecessary administrative burdens and costs for subcontractors.
- **Integrated Reporting Systems:**
The electronic system used to track compliance with the Community Hire program should be the same system used for filing certified payroll reports. Multiple platforms in different formats increase the potential for errors and create administrative inefficiencies and additional expenses. Moreover, the platform should automatically calculate the percentage of labor hours from workers in economically disadvantaged zip codes rather than requiring each contractor or construction manager to develop a program to calculate the hours.
- **Apprenticeship Utilization:**
While the goal of utilizing apprentices is important, it should remain a target rather than a rigid mandate with specific apprentice-to-journey-level worker ratios. Limited

availability of apprentices and the operational realities faced by small subcontractors may impact their ability to meet such requirements and drive-up project costs.

- **Self-Certification from Referral Sources:**

Requiring subcontractors to obtain a self-certification statement from a referral source creates a significant record-keeping burden. Workers are already required to provide documentation proving their identity and employment authorization. Adding another layer of paperwork from referral sources would complicate the process unnecessarily, adding unnecessary administrative burdens and expenses, and potentially impact the ability to bring a union-worker onboard.

- **Recordkeeping Requirements:**

Subcontractors are already required to maintain certified payroll records for six years. These records should suffice for meeting the Community Hire program's recordkeeping requirements. Additional documentation should not be necessary.

- **Updating Economically Disadvantaged Zip Codes:**

The list of economically disadvantaged zip codes should clearly indicate the date of the last update, and highlight any zip codes that have been added or removed from the program.

- **Clear Contract Language:**

City-let contracts that require compliance with the Community Hire program should clearly outline the specific requirements in the contract documents and provide this information to all subcontractors.

By addressing these concerns, we can ensure that the Community Hire program is effective, efficient, and achievable without placing undue burdens on small businesses or driving up construction costs in New York.