

June 3, 2021

East Side Coastal Resiliency Community (ESCR)
Community Advisory Group (CAG)
C/O Tara Duvivier
Pratt Center for Community Development
200 Willoughby Avenue
Brooklyn, NY 11205

VIA EMAIL

Re: ESCR CAG Inquiry on Workforce Development and Section 3

To the Members of ESCR CAG:

Thank you for your letter dated March 12, 2021 outlining the CAG's requests related to the monitoring of the local hiring process as the construction phase of the ESCR project moves forward. Working with DDC staff, our consultants and other local potential partners, I would like to share some of the actions that our ESCR team has already undertaken to meet some of your requests. There are also future outreach events planned specifically tailored to the impacted community and we will share those details as the planning advances.

Below are our responses to some of your key requests/concerns:

1. Contract recipients increase hiring percentages to 90% and prioritize local businesses that fall under Section 3.

Local and minority/woman-owned businesses (MWBE) are part of our outreach efforts and we encourage those firms to review their eligibility to certify as Section 3 Business Entities in addition to their MWBE status. Results to date include the engagement of a local, Section 3 and M/WBE firm to provide M/WBE and Section 3 outreach and inspections services and a MBE and Section 3 firm to provide site safety services. As construction ramps up, we are working with the Mayor's Office of Workforce Development to provide contractors with recruitment strategies for hiring Section 3 individuals based on their previous experience on similar programs.

ESCR contracts have already been awarded and include the required U.S. Department of Housing and Urban Development's (HUD) Section 3 numerical goals, with the preference for Section 3 individuals to comprise 30% of new hires. The team's ongoing efforts to meet or exceed Section 3 and local hiring goals include virtual events and contractor, consultant

education and facilitation with utilizing existing resources to source local hiring and businesses to fulfill needed services and job opportunities.

As you are aware, the Section 3 program requires that New York City, as a recipient of Community Development Block Grant (CDBG-DR) funding, *to the greatest extent possible*, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with CDBG-DR funded projects and activities in their neighborhoods. Please note that Section 3 is not an entitlement program, and there are no guarantees. Residents and businesses must be able to demonstrate that they have the ability or capacity to perform the specific job or successfully complete the contract they are seeking. The Section 3 requirements provide preference to Section 3 residents and business concerns, but again, is not a guarantee. We do, however, expect all parties to demonstrate their good faith efforts, and to the greatest extent possible, meet or exceed these goals.

- 2. The CAG must have assurances that contract recipients will not apply regulations that are outside the federal mandates such as excluding residents in households that are in arrears or imposing extreme requirements such as requiring applicants to be able to lift 70 pounds.**

Since the initial web postings, we have received inquiries on a weekly basis from candidates for all positions listed. The specialized and technical complexity of the ESCR program requires specific expertise and years of experience to deliver a safe and quality project for the community. DDC's infrastructure projects define minimum requirements for technical and field positions and those criteria are based on accepted industry standards including the American Society of Civil Engineers (ASCE) and the National Institute for Certification in Engineering Technologies (NICET). Employees meeting these minimum requirements are encouraged to enroll in company-sponsored professional development programs to achieve higher levels of these ASCE and NICET certifications to allow for advancement in their careers and bring more value to the clients/communities served. The ESCR team will rely on recruiting partners at NYCHA REES and Workforce 1 to screen qualified candidates. Job descriptions are posted on the ESCR website and also provided to NYCHA REES, Workforce 1, listed with HireNYC and also provided to local workforce development partners, as well as community stakeholders like elected officials and community boards.

- 3. The investment must also include priority for purchases through minority owned and local businesses.**

M/WBE utilization rates under the de Blasio administration have increased by 250% from FY15 to FY20. With the City's recent achievement of certifying over 10,000 M/WBE firms, the market availability of M/WBEs businesses has increased the pool of subs to include on our bidder's lists. DDC is leading all mayoral agencies' MWBE utilization and has also initiated setting separate 30% goals for design and 30% for construction on design-build projects to spread greater MWBE utilization across a project's life cycle. A safety manager position was filled through an minority-owned business after its posting on the ESCR website and our virtual information

session in April and related outreach to local stakeholders. The first solicitation for printing services was also awarded to a woman-owned firm who attended one of our "How to Do Business With Us" webinars. While there are no official goals for utilization of local businesses in this contract, the team is making good faith efforts to source services and hiring from within and the nearby community residents and businesses. DDC's Office of Diversity and Industry Relations (ODIR) reviews and monitors the proposed utilization of M/WBE firms for both the consulting and contracting teams. Prioritizing Section 3 Business entities are also included as part of the Section 3 goals. The ESCR website will provide updates to contracting opportunities. Planned quarterly information sessions will provide contracting opportunity updates.

4. Applications for new employment positions must be shared with the CAG and local community-based organizations (CBOs) as soon as they become available.

Initial jobs postings have been shared with the CAG, City organization and other CBOs mentioned in #5. Upcoming job and contracting opportunities will be updated on the ESCR website and also provided to key stakeholders mentioned. Subscribers to the ESCR website alerts will also be notified weekly of any updates related to construction projects and these opportunities.

5. Detailed information about the types of jobs the project will create must be shared with the CAG as per the list below. Local residents have a variety of skills, including in the trades, and there must be a variety of employment opportunities such as those called out below. Employment opportunities should not be limited to maintenance and security positions.

All job opportunities will be shared with the CAG and other stakeholders as mentioned in #4. Details of each open position including minimum qualifications and requirements are included. The ESCR team is starting to coordinate outreach and information sessions for contractors with the Mayor's Office of Workforce Development to share insights and opportunities from past programs that included recruitment and inclusion of Section 3 individuals in pre-apprenticeship, apprenticeship and hiring programs. Ongoing conversations and coordination with local employment networks like Henry Street Settlement and the Lower East Side Employment Network (LESEN) organizations will review potential training opportunities to prepare candidates for future hiring on ESCR or other projects. We are also coordinating with the Department of Small Business Services' (SBS) Workforce 1 team referring interested parties to existing SBS online resources to explore career paths and related required experience/training as well as resume and interview preparation. The construction contractor has engaged with the unions, sending notifications of the positions needed and the preference for Section 3 individuals.

6. An updated list of the names of contractors and subcontractors specifically detailing the activities they are contracted to undertake.

Links to websites containing awarded contracts are provided below. Events with contractors and subcontractors are envisioned in the future as part of the recruitment process. New York City's Community Development Block Grant Disaster Recovery (CDBG-DR) website provides information on contracts greater than \$25,000 funded in whole or in part with CDBG-DR funds. The link to the site is, <https://www1.nyc.gov/site/cdbgdr/documents/contracts.page> The previous AKRF contracts can be found under the Resiliency Program Category; the PA2 Contractor, Peretto, can be found under the Coastal resiliency Program Category; and the HNTB-LiRo contract award is posted on The City Record Online, <https://a856-cityrecord.nyc.gov/>.

Other resources include the Comptroller's Checkbook NYC website with search functions for Prime and M/WBE vendors, https://www.checkbooknyc.com/smart_search/citywide and the ESCR website also lists the project team members, <https://www1.nyc.gov/site/escr/about/project-team.page>

- 7. Relevant training opportunities (including apprenticeships) that contractors and subcontractors provide and/or have access to or knowledge about.**
 - a. Having enough lead time for this type of information is critical to ensure that local residents have ample time to participate in local training programs that they will need to get certified for particular positions.**
 - b. Ample lead time will also allow some CAG member organizations to work with contractors and subcontractors to help them identify local training resources.**

A schedule of upcoming contractor hiring needs has been requested for review so coordination can be made with any existing training programs' "graduates" can be included in the hiring pool. The information can also be used to review any additional training as needed as mentioned in item # 5 above. There is an ongoing review of the consultant team's hiring needs and requirements to coordinate any training that may be helpful to prepare future candidates. DDC is also developing a mentor program to prepare qualified MWBE and small businesses to work with DDC to bid on contracts designated for this category of firms.

- 8. Data about what proportion of contractors and subcontractors have staff who live locally on a to-be-determined basis.**

The team maintains a monthly log with hiring information, including tracking staff's home zip codes. We are in the early stages of the project with the majority of staff from both the consulting and contractor teams already hired prior to the ESCR project for the first segment of construction. We anticipate a robust and targeted recruitment effort to take place within the project area and neighboring communities as construction activities increase and the next two construction contracts are bid and awarded. The current geographic breakdown of the current staff's home zip codes are Manhattan - 3%, Brooklyn - 17%, Queens - 13%, Bronx - 4 %, Staten Island - 10%, Long Island - 17%, New Jersey - 19%, Other - 19%. The construction contractor has engaged with the unions, sending notifications of the positions needed and the preference for

Section 3 individuals. We are also coordinating with the SBS Section 3 Manager to assist with referrals of Section 3 and local candidates.

- 9. A schedule of which jobs are coming online and when they will come online. Lead time – as far in advance as possible, even by two to three years – is of the utmost importance to ensure that the CAG can help prepare the community and their neighbors who aren't yet equipped to apply for these jobs. Some of this information is already known and needs to be shared now, and some of this will unfold and should be shared as construction progresses.**

See item #7 above.

- 10. The information requested in this memo needs to be shared as it becomes available, i.e., in between CAG meetings.**

Upcoming opportunities are distributed to key stakeholders via email and through the weekly ESCR alerts. The mailing list to key stakeholders and vendors with relevant experience are updated as new information is received or users subscribe to alerts from the ESCR website.

- 11. The City should do a report-out at all future CAG meetings about how local hiring is progressing. This will allow any challenges that may arise to be identified quickly and help the CAG support the process and ensure success.**

Posting of new job opportunities has just started. Monthly logs of hiring results are maintained by the contractor and consultant teams. Section 3 reporting to HUD is on an annual basis. The ESCR team is developing a reporting schedule and format that will capture key data while minimizing administrative burdens to all our local, MWBE and Section 3 firms as part of this process.

- 12. The City will also provide the CAG with copies of their mandate exclusions used to deny income-qualifying applicants.**

The screening of qualified Section 3 candidates is performed by other partner agencies in the recruitment process. The team will interview qualified candidates referred from partner agencies (NYCHA REES and Workforce 1). All new employees will be provided with the Section 3 self-certification form as part of the onboarding process. Successful candidates not referred through REES or Workforce 1 but are eligible for consideration as Section 3 individuals can be identified during this process. However, completion of this self-certification is voluntary.

- 13. Outreach efforts and materials about open positions should include interpretation services where necessary and always be translated into Spanish and Chinese (Mandarin and Cantonese).**

Future Community Construction Liaisons (CCL) will be bilingual including Spanish and Chinese. All information on the ESCR website can be translated via the Google Translate function. As part of our robust communications effort, the team is coordinating with DDC and stakeholders to provide printed and digital information. Our recent virtual event's video has been posted online with options for subtitles in a wide range of languages. For future materials, we will work with stakeholders to determine what printed materials should include translations.

14. Contractors and sub-contractors should have Chinese and Spanish-speakers on board to engage in culturally competent outreach.

Contractors will be encouraged to identify staff who can supplement the CCLs' translating capabilities. The PMCM team also maintains a listing of secondary languages spoken by our staff that totals over 20. We will also coordinate contractor's efforts with item #13 above.

Thank you again for your continued collaboration on this important project for the east side of Manhattan.

Sincerely,



Jeffrey A. Margolies
Executive Director of Intergovernmental and Community Affairs

cc:

Manhattan Borough President Gale A. Brewer
NYS Senator Brad Holyman, Manhattan, District 27
NYC Council Member Margaret Chin, Manhattan, District 1
NYC Council Member Carlina Rivera, Manhattan, District 2
NYC Council Member Keith Powers, Manhattan, District 4
NYC Office of Management and Budget
New York City Department of Parks and Recreation