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**RECOVERY FOR ALL OF US: MAYOR DE BLASIO CALLS ON STATE
LEGISLATURE TO PASS COMMUNITY HIRING AND MWBE BILLS**

New analysis from The New School Economist Dr. James Parrott shows how Community Hiring would use the City's purchasing power to create 200,000 jobs over 5 years for low-income people, NYCHA residents and residents of low-income neighborhoods

MWBE legislation would expand contract opportunities, reform construction insurance and allow the City to prefer bidders who have policies that lead to diverse workforces; giving MWBE firms the tools to lead NYC's economic recovery

NEW YORK—Mayor Bill de Blasio today called on the State Legislature to pass key bills for New York City's economic recovery: Community Hiring and legislation to increase opportunities for Minority and Women-Owned Business Enterprises.

"A Recovery for All of Us means our economy is working for everyone, including minority and women-owned businesses and New Yorkers in underserved communities," said **Mayor Bill de Blasio**. "We're calling on Albany to pass Community Hiring and the MWBE Opportunity Expansion Act, greatly expanding economic opportunity for those too often left behind."

"Together, these pieces of legislation would allow the City to use its enormous purchasing power to strategically invest in communities," said **Deputy Mayor for Strategic Policy Initiatives J. Phillip Thompson**. "The proposed Community Hiring and MWBE bills are really two sides of the same coin and show that City dollars can do more than get work done, they can lift people out of poverty. As we recover from this pandemic, we need the legal right to say that when government money is being spent, it is being spent to bring greater opportunity to those in need."

"MWBEs are central to the economic vitality of our City and they've been disproportionately impacted by the COVID-19 pandemic" said **Magalie D. Austin Senior Advisor & Director, Mayor's Office of MWBE**. "As we move towards a recovery for all New Yorkers, we must ensure that MWBEs are a major part of our economic recovery. The proposed legislation will ensure that MWBEs have equal access to participate in the City's recovery and economic prosperity."

"As the City continues to work towards a fair recovery, we must economically empower our hardest hit communities," said **Jonnel Doris, Commissioner of the NYC Department of Small Business Services and Co-Chair of the Small Business Subcommittee of the Taskforce on Racial Inclusion and Equity**. "We urge our state partners to pass these critical bills, so we can ignite community hiring and increase opportunities for Minority and Women-Owned Business Enterprises."

“Initiatives that assist smaller firms, create more competition for City contracts and extend the contracting and hiring pools are vital to leveraging the value of DDC’s \$2 billion-plus annual capital program for more equitable outcomes,” said **Department of Design and Construction Commissioner Jamie Torres-Springer**. “We know from experience that pooled insurance, the ability to issue discretionary MWBE contracts and robust local hiring requirements directly support MWBE construction firms and create jobs in neighborhoods where they are most needed.”

“To achieve a full recovery for New York City, we must focus on inclusion and equity – and providing our hardest-hit communities with economic opportunity will be crucial in advancing this mission,” said **DSS-HRA Administrator Gary Jenkins**. “DSS-HRA joins our fellow City agencies in urging our colleagues in Albany to pass this critical legislation that will empower our communities and expand opportunities for Minority and Women-Owned Business Enterprises to succeed.”

COMMUNITY HIRING WILL DRIVE A FAIR RECOVERY

The Mayor is proposing legislation in Albany that would require businesses working with the City to hire low-income people, NYCHA residents and people from high poverty communities. Community Hiring legislation will:

- **Expand job opportunities for economically disadvantaged communities:** Expands access to middle-class construction and building service jobs by prioritizing people from low-income communities and NYCHA residents.
- **Expand job opportunities for economically disadvantaged individuals:** Requires those who do business with the City on non-construction contracts such as software, or goods or consultants, to meet employment goals for low-income people. The goals would be tailored to each contract.
- **Authorize the City to require a minimum ratio of apprentices:** Allows the City to require that contractors use a minimum ratio of apprentices, and expands entry-level jobs as a result.
- **Enable the City to require contractors to work with workforce development programs to find qualified talent:** Such workforce development programs could potentially include ones that typically serve NYCHA residents, veterans, people with disabilities, justice-involved individuals, cash assistance recipients, immigrants, and NYCDOE and CUNY graduates.

Center for New York City Affairs Analysis of Community Hiring Proposal

According to an [analysis](#) from Dr. James Parrott of The New School, this legislation would have the potential to provide job opportunities for 40,000 workers a year, putting them on a path into the middle class. Dr. Parrott worked with experts in the City, including at the Department of Small Business Services and the Economic Development Corporation, to build up these estimates by examining the capital budget and service contract programs, determining the labor and skill requirements to deliver those services, and applying Community Hiring provisions to construction and service contracting.

On average, Community Hiring would involve about 16,000 construction workers a year and 24,000 service contract workers in a range of industries from human services, to maintenance and repair to IT services. Over the next five years, this program could help as many as 200,000 economically disadvantaged workers and residents of high-poverty communities.

"Community Hiring will be an essential tool not only in re-connecting pandemic-dislocated workers with good job opportunities but helping to get many of these workers onto a path to build their skills and ability to succeed in a continuously evolving economy," said **James A. Parrott, Director, Economic and Fiscal Policies, Center for New York City Affairs at The New School.**

MWBES ARE PART OF NYC'S RECOVERY

Mayor de Blasio believes communities most impacted by the COVID-19 pandemic must be prioritized in our recovery.

MWBES utilization rates under the de Blasio administration have increased by 250% from FY15 to FY20. MWBEs also played a critical role in the fight against COVID-19 with \$890 million in spending across over 500 contracts. The City calls on Albany to further increase the role of MWBEs in the City's recovery.

Assembly Member Rodneyse Bichotte Hermelyn and State Senator James Sanders Jr. have introduced legislation which will:

- Increase City agencies' MWBE discretionary threshold to \$1 million, thereby reducing bureaucracy and creating more opportunities for MWBEs
- Authorize, for City or Prime Contractor, to consolidate insurance on construction contracts, thereby reducing overhead for subcontractors and the City
- Allow bidders for City contracts that have policies which lead to diverse workforces practices to receive extra points on bids.

This legislation is an opportunity to ensure MWBEs have tools they need to succeed in the new economy. These reforms work: in 2019 when the State increased the discretionary threshold to \$500,000, MWBE utilization grew by 20% in the first year.

Senator James Sanders Jr. said, "MWBEs were hit especially hard during the COVID-19 pandemic. My bill S.6270-A, along with its Assembly companion bill A.7266, sponsored by Assemblymember Bichotte-Hermelyn, will expand opportunities for MWBEs at this critical time of need and give them a fighting chance to survive and thrive."

"We must find ways for those who were hardest hit by the COVID-19 pandemic to recover economically from the pandemic," said **Assembly Member Rodneyse Bichotte Hermelyn, Chair of the Subcommittee on MWBEs.** "I am proud to be working closely with the Mayor and Sen. James Sanders Jr., to legislate ways for our city to recover equitably. Because of systemic and socioeconomic barriers, minority and low-income New Yorkers have faced significant challenges in accessing jobs and business opportunities. The MWBE Opportunity Expansion Act, and community hiring proposal, will generate more jobs in our communities, for the people who need them most. As the financial capital of the world, it is in our power -- and it

is our responsibility -- to be leaders in fostering economic growth, economic equity, and economic inclusion and diversity in our city."

"As a proud Harlemit with direct experience working at an MWBE in NYC, I fully support Community Hiring and the MWBE Opportunity Expansion Act. As elected officials, we have the power and the responsibility to create equitable opportunities and protect those hit the hardest by this pandemic from discrimination. I implore my fellow legislators to vote with me and increase the chances for success for our communities of color and minority and women entrepreneurs," said **Senator Brian Benjamin**.

"As we look to rebuild and recover our economy, we must examine the ways in which our laws fell short. Passing legislation statewide that makes it easier for local jurisdictions to invest and support MWBEs with the tools they need to succeed is a necessary step to ensure our local communities and our small businesses come back stronger than ever," said **New York State Senator Jessica Ramos**.

"Minority and Women-Owned Business Enterprises (MWBE) will be key to our recovery from the COVID-19 pandemic. As the fastest growing entrepreneurial community in the United States, businesses led by minority women are potential powerhouses for economic development. Almost half of all women-owned businesses are controlled by minority women, yet they remain vastly underfunded. I am proud to support legislation that invests in the growth and vitality of minority and women-owned businesses," said **Senator Luis Sepulveda**.

"This legislation's Community Hiring component will prioritize NYCHA residents for expanded job opportunities in the construction and building service industries, which is extremely important as people struggle to recover from the economic fallout of the pandemic," said **Assembly Member Steven Cymbrowitz, Chair of the Assembly's Housing Committee**.

"As we begin to open New York, a cornerstone of our success will be economic mobility for all, especially for those from low-income communities, said **Assembly Member Mathilde Frontus**. "I wholly support the MWBE Expansion Act and Community Hiring bills in the State legislature. Our economic recovery hinges on our ability to expand employment horizons for those who are economically disadvantaged and on helping our diversified workplaces thrive."

"The economic recovery in New York is essential piece of the state, and city moving forward after the downturn our economy took due to COVID - 19. With New York City having about a 25 percent black population, those numbers need to be better reflected in all areas of our business and hiring practices. The MWBE Expansion act is a step in the right direction to cure some of the systematic issues that have plagued the procurement process. Additionally, The Community Hiring Act will enable members of communities such as, Brownsville and East New York that I serve, whose members have been historically excluded from financially beneficial projects, the opportunity to be mandatorily included in the training and hiring process. The legislation also will have the proper oversight and monitoring in place that has been normally absent. We must do all that we can to ensure equity in job hiring and placement especially for those among us who have been hit the hardest by the economic downturn," said **Assembly Member Latrice Walker**.

“As Chair of the Subcommittee on Emerging Workforce, I truly believe Community Hiring and the MWBE Opportunity Expansion Act are the right policies for right now. Both bills meet the diversity, equity, and inclusion standards that our state has set for doing business in the 21st Century. By acknowledging the enormous challenges BIPOC business owners and workers still face when trying to live the American dream, it is imperative that we continue to institute laws that promote equity and protect us from discrimination. The 56th Assembly District has a long legacy of small business ownership and is home to thousands of under-employed workers and future entrepreneurs living in NYCHA. I fully support these bills and will proudly co-sponsor both as these initiatives. Each will expand opportunities for those seeking new careers and assist others in hiring more workers to accelerate New York City’s economic recovery,” said **Assembly Member Stefani Zinerman**.

"Throughout previous negotiations and hearings on re-zonings, I have raised concerns about the City's existing local hiring policy. After working with Deputy Mayor Thompson, this legislation will create and expand equitable opportunities to meet thousands of New Yorkers where they are so they can thrive. Your economic status, where you live, whether you're an immigrant, a veteran or a person with a disability should not hinder a person's access to opportunities to succeed. We also need to ensure we increase opportunities for Minority and Women-Owned Business Enterprises so that our recovery prioritizes the very communities that have been the most impacted by COVID-19," said **Council Member Francisco Moya**.

“We’re proud to work with our partners at both the city and state level to ensure this Community Hiring legislation serves as a pathway to not just jobs, but real middle-class careers for New Yorkers from historically underserved neighborhoods. This legislation recognizes the fundamental role of union pre-apprenticeship and direct-entry programs in launching the careers of working people, and ensures that the immediate economic impact of shovel-ready New York City construction projects will benefit minority New York neighborhoods with opportunity, investment, and good middle-class careers with benefits. We’re thankful for the City’s leadership in advancing this important legislation, and we will continue to advocate for its passage through the New York State Senate and Assembly,” said **Gary LaBarbera, President of the Building and Construction Trades Council of Greater New York**.

“Job opportunities are an essential factor in achieving economic mobility and financial stability. Passing the Community Hiring bill would yield enormous benefits to our City,” says **Sheena Wright, President & CEO of United Way of NYC**. “Investing in New Yorkers who have been disproportionately impacted by the pandemic will help ensure we work toward an equitable recovery.”

"The time is now to ensure that we establish a true just recovery plan which focuses on marginalized and low income communities throughout our city who have suffered enough. This investment and plan is a good first step towards building an equitable New York City and has great potential to help our communities thrive," said **Afua Atta-Mensah, Esq., Executive Director, Community Voices Heard**.

"Rebuilding a more inclusive, equitable and resilient New York starts with supporting the communities that have borne the brunt of economic hardship due to the pandemic. Community Hiring will build New York’s economy where we need it most and create a pipeline to change the lives of as many as 200,000 disadvantaged workers and residents of high-poverty

communities," said **Jose Ortiz Jr., CEO of the New York City Employment and Training Coalition**. "New York needs Community Hiring to push forward a long-term goal of ensuring companies see people from diverse communities as a real source of talent."

"The Community Hiring plan would be a gamechanger for economic justice in New York City. The HOPE Program connects New Yorkers with the training and resources to succeed in their careers, but that's only one piece of the puzzle. We need comprehensive legislation to ensure that low-income communities have access to good jobs," said **Jennifer Mitchell, Executive Director, The HOPE Program**.

"Nontraditional Employment for Women (NEW) applauds New York City's bold plan for community hiring in construction. The City's agreement with the Building and Construction Trades Council of Greater NY will build on NEW's proven model that transforms the economic prospects of the most vulnerable New Yorkers, particularly low income Black and brown women are disproportionately bearing the burden of COVID-19 and the related recession. Community hiring is a key step toward equity in our communities, and we look forward to continuing our work with the City, New York's unionized apprenticeship programs and their contractors to advance equity in the recovery," said **Kathleen Culhane, President, Nontraditional Employment for Women**.

"These challenging times require thoughtful, comprehensive action to secure the progress that has already been achieved. It is vital that the legislature pass this critical MWBE package to support our firms and prepare us for the infrastructure funding headed to New York," said **Reverend Jacques Andre DeGraff, chair, MBE LEADERSHIP SUMMIT**.

"This Current Legislative Agenda keeps us moving forward on the road to increased M/WBE inclusion NYC's procurement process which in turn will result in M/WBE company growth and community empowerment," said **Sam Padilla, Padilla Construction**.

"The Council of Black Architecture and Engineering Companies (CBAEC) is in full support of the NYC Legislative Agenda. These bold and transformational initiatives that the City is proposing will especially help hard hit Black companies and our communities recover from both the economic and health devastations of the COVID crisis. By removing barriers to participation in the public contracting process, our companies will be able to create long term sustainable jobs. NYC cannot fully recover by leaving any of its communities behind. Thank you for helping the most vulnerable communities recover through necessary measures to create more jobs growth and economic opportunities," said **Julie Harris, Co-Founder, CBAEC**.

"Effectively addressing the needs of Black people, the City's most harmed individuals who represent 22% of the population is imperative. Expanding contracting opportunities for Black entrepreneurs who received a mere 6% of NYC M/WBE spend in 2020 and creating workforce training programs that actually result in employment paying living wages are critical steps towards achieving economic equity. This administration recognizes these inequities and is making moves to rectify them," said **Regina L. Smith, Executive Director of the Harlem Business Alliance**.

"By reducing our insurance overhead and encouraging diverse workforce practices, this legislation will help open doors to more opportunities for MWBE contractors. On behalf of

National Association of Minority Contractors and the NY Tri-State Association, I'd like to thank State Senator Sanders and Assemblywoman Bichotte Hermelyn for introducing this vital piece of legislation and I applaud Mayor Bill de Blasio, Deputy Mayor Phil Thompson, as well as Maggie Austin Senior Advisor and Director of the Mayor's Office of MWBE'S and entire Team for their unconditional hard work and dedication as advocates for the MWBE Community!" said **Nayan Parikh, Executive Vice President of NAMC National Board of Directors, President of NAMC New York Tri-State Chapter**

"The Community Hiring initiative is critical to ensuring that low-income communities that have been disproportionately impacted by the pandemic are central to New York City's recovery," said **Nicole Bertrán, executive vice president of The Edward J. Malloy Initiative for Construction Skills**. "Union pre-apprenticeship and direct-entry programs create access to careers that offer family-sustaining wages, health benefits, and retirement security for thousands of New Yorkers. Construction Skills is pleased to support this first-of-its-kind legislation to create real opportunity for New York's most vulnerable communities through the unionized building trades."

"The State should support Community Hiring. It will generate nearly 200,000 jobs for low-income people and residents of economically disadvantaged communities over the next five years, it is necessary and the right approach to rebuild a more equitable city," said **Valerie Payne, Executive Director, Rebuilding Together NYC**.

"Increasing the City's discretionary spending limit for purchases from M/WBEs from \$500K to \$1M will open many new doors to M/WBE firms. I can only imagine what discretionary spending of \$1M would have done for my firm when I first started out. This one policy could mean the difference between failure and survival to many M/WBE firms" said **Barbara Armand Kushner, President and CEO, Armand Corporation**. Allowing the City the authority to provide insurance through Owner- and Contractor (Prime)- Provided Insurance Program (OCIP/CCIP) is a Game Changer! There are so many qualified M/WBE construction firms that cannot bid on public projects, or even be pre-qualified, because they cannot afford to purchase the more expensive general liability insurance. OCIP/CCIP removes this impediment, and the industry will see a surge in M/WBE Construction firms that can compete, grow, and prosper in New York City. This policy would allow my own company, Armand Corporation, to double its current utilization of M/WBE firms."

"Beyond Our Status Congolese Alliance, Inc. wholeheartedly supports the Community Hiring Legislation. We need to provide an economic lifeline to those communities most impacted by COVID 19, especially the BIPOC, immigrant, and economically disadvantaged communities. We stand behind Mayor Bill de Blasio in his efforts to restore economic prosperity to our great city," said **Lesia Devers and Isaac Asumani, Co-Executive Directors, Beyond Our Status Congolese Alliance, Inc.**

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