



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

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CONTACT: pressoffice@cityhall.nyc.gov, (212) 788-2958

TRANSCRIPT: MAYOR DE BLASIO APPEARS LIVE ON THE BRIAN LEHRER SHOW

Brian Lehrer: It's the Brian Lehrer Show on WNYC, good morning everyone and we begin today as we usually do on Fridays with our weekly Ask the Mayor segment, my questions and yours for Mayor Bill de Blasio. Our phones are open at 2-1-2-4-3-3-WNYC, 4-3-3-9-6-9-2 or tweet a message, tweet a question I should say, just use the hashtag #AskTheMayor, good morning Mr. Mayor, welcome back to WNYC.

Mayor Bill de Blasio: Good morning, Brian.

Lehrer: And I want to start with Amazon. And in our city that has so much inequality and you being on a mission to reduce the tale of two cities reality from day one, has Amazon made any commitments in writing about diversity, equity, and inclusion in their corporate practices as part of the deal to come to New York?

Mayor: They've made a commitment in writing that they have to produce a minimum of 25,000 jobs, rising up as high as 40,000 jobs that there's no incentives of any kind that they receive unless they meet those goals. They have made a commitment to provide money for training programs, particularly for NYCHA, public housing residents, to provide public space that they will pay for the public of this city, promenade along the water. They've made a commitment to provide space for free for a school building, a variety of things that are specific public goods that we insisted upon. And the bottom line here is you know, our sense of mission for New York City and it is all about fighting inequality was to achieve the single biggest jobs deal in the history of the city or state for this city to help secure our future economically so there would be a lot of jobs for young people coming out of our public schools, coming out of public housing, coming out of city universities. And that's crucial to addressing inequality, we don't create more available, good paying jobs that can be careers for every day New Yorkers, we will not overcome inequality. But in terms of corporate standards, practices, that wasn't part of this specific agreement but I think being in New York City is going to have an impact on them. I think this is an environment where people really believe in equality and believe in corporate responsibility and I think over the years there's going to be a lot of positive pressure for them to meet those kinds of standards. Unquestionably one thing they are quite aware of is they need, and the entire tech community needs a more diverse work force and that's part of why New York City is so

important in the equation. That's not being achieved, respectfully to Seattle or to Silicon Valley, it's not being achieved out there, it can be achieved here in New York City.

Lehrer: The tech sector of course is disproportionately, white, Asian, and male. Poverty in New York runs disproportionately female, and black, and Latinx as well as Asian. Why won't this exacerbate those inequalities and what kinds of conversations if any, did you have with Amazon about their role in mitigating that?

Mayor: Very explicit conversations about the fact that the tech community must diversify and that they as one of the biggest companies in that community and in the world, needs to diversify and that this would be a place where that can be done that we have a workforce coming up. Remember we are providing computer science education across the board now in our public schools, we are funding STEM programs, two year degree programs at CUNY, this is, these are the kinds of things that every day young people and some people later in their career obviously as well can access. This is about, this is not about moving personnel from Seattle, this is not about the same old folks getting good jobs. This is actually explicitly for us about providing those jobs to kind of folks who have not had opportunity in the tech community. The scale is important here Brian and I think people really need to focus on, we've never heard of a single transaction that brought in between 25,000 and 40,000 jobs. It is far, far beyond anything we have seen previously.

When you add that kind of number into our economy, you're opening a lot of opportunity for everyday people. Now that has to be the targeting which we are going to do. There's going to be not only training programs that Amazon will sponsor, but there's going to be recruitment, for example, targeted recruitment in public housing – biggest public housing development in America is in walking distance from where Amazon will be. We are dedicated to making sure those equity measures are enforced very intensely. But people need more opportunity and it's just come to us on a grand scale.

Lehrer: The agreement that you and the Governor made locks out City Council from having a role under what's known as ULURP, the Universal Land Use Review Process, not so universal I guess. Here's a clip of City Council Speaker Corey Johnson, and I would like you to respond to this.

City Council Speaker Corey Johnson: I'm not saying I don't want Amazon to come. I'm saying there needs to be a process. If public land is involved, if public dollars are involved, there needs to be a public review process that has a conversation around that.

Lehrer: So why did you cut out that layer of democracy, City Council that arguably is closest to the people?

Mayor: There is going to be a public process, we have been quite explicit about that. This particular approach is used when the City and State – remember with democratically elected leaders, decide that something is so big, so complex, that it has to go through a different type of process, had we said to Amazon, you know you are going to be subject to a two year process that we don't know the outcome of, it would have been very easy for them to say well, you know it's

been very nice working with you but we can't make a decision on that basis. This was not like any other economic development opportunity we have ever had. Again the scale – so if you go back in history and you look at what our previous economic development deals around jobs, they are like several thousand. I think there was one that was 5,000 once in New York City history. This is 25 to 40,000 jobs and we were not going to let that get away but now we have the ability to have a public process, constantly talking already with elected officials, community leaders, by the way a number of whom do think this will be very good for Queens and for Long Island City. A number of whom think it could be good if certain issues are addressed. And we are going to have a public process but we needed something that could move on rigorous time line and be certain to actually achieve this outcome.

Lehrer: And apparently the State Legislature is now being cut out too as Politico New York writes today about Cuomo, “24 hours after the administration confirmed, that its plan to award Amazon up to \$505 million in grants for its new Queens headquarters would require the approval of the Public Authority’s Control Board over which the Legislature has some authority, the administration walked it back. Cuomo budget director Robert Mujica said the State could evade board approval thereby denying the State Legislature a say in the matter.” So was it your understanding that the State Legislature would have a say over the subsidies and how do you feel about that public flip flop?

Mayor: So I am not familiar with the state law in this and I do want to be very clear, and this is really important for New Yorkers to understand, there's a series of incentive programs that are on the books, they are state law, they are universally applied, some around new jobs coming to the state, some around development in the outer boroughs. Any company qualifies automatically, that's the vast majority of the resources we're talking about here. Had it not been Amazon it could have been any number of smaller companies would have qualified for the exact same thing. There's a very valid question, do we want to rethink those incentive programs for the future? I think that's a really fair debate. But they have been there for years and years in place as a matter of state law that a company can automatically access. The only piece that I know of that was more particular was the specific capital grant you're talking about. But I don't know what the governing state law is on that. That was something solely done by the state side. Amazon, I am going to keep telling people that, because they need to know this – Amazon asked for a series of tailor made concessions from the City of New York as used to be done in the Bloomberg administration and before there were specific incentive plans created for individual companies. We tell them we don't do that anymore. We told them that as a matter of philosophy and policy, the City of New York does not create tailor made incentive packages. You can take advantage of those that are on the books, state law available to any company. But we will not add incentives. They asked for additional tax breaks, we said no. In fact, unlike I think pretty much any city in America we said here's a series of public goods that must be a part of this plan. And that to me is the right way to approach it. We're not going to do any specific tailor made incentive deals for any companies going forward. And if people think as a result of this discussion we should go back and revisit the state law. That's a healthy discussion. We did that on 421-A when it came to real estate development.

In fact, my administration believed that that was an automatic benefit given to real estate developers that was not appropriate and that needed to be scaled back and refocused on

affordable housing. We got that changed in Albany, this might spark similar changes. But I've been very explicit. It should not effect this deal, because the sheer magnitude – what this means for New York City economy alone. A tech community now can grow not only because of Amazon but now will attract a lot of other companies could grow up to a half a million jobs total in our tech community. That is urgently necessary for the future not only of employment Brian, but the tax base. And this is something that a lot of people don't talk about. 25 – The 25 year time frame that we're projecting will get \$13.5 billion in tax revenues from Amazon for the City of New York which we will turn around and use for affordable housing, job training, the things that are really essential to the quality of life in this city, trying to improve mass transit. That's necessary to a fair and equitable city to have that kind of revenue base to actually do these things.

Lehrer: So before we go to the phones, one more follow up on what you just said. How specifically has your administration crunched the numbers? Because people are conflicted about this I think, on the one hand wow 25,000 new good jobs that wouldn't be here if Amazon chose someone else plus the thousands more that presumably spring up around them and the tax revenue. But how specifically has your administration crunched the numbers on the expected additional net tax revenue from Amazon versus the additional demand on tax dollars for public school for the extra kids, transportation infrastructure for the extra commuters, sewer infrastructure for the extra you know, and other quantifiable public services? Because we've seen in other places so many white elephants that are supposed to be big gains for the public and then they're really not.

Mayor: Yeah, excellent, excellent point. Well, first of all the history of economic development deals is a very bad one. Just like the history of affordable housing deals is a very bad one if you go back over the last 20-30 years in this city and state. There's a lot of reason to be cynical. When I came into office we said we're setting up a very different paradigm. For example on affordable housing we now have a law, a binding law that says when we make an affordable housing land use decision – I mean excuse me a housing land use decision, the affordability is legally binding as part of that. The developer has to create a certain amount of affordability or they're literally not allowed to build. Similarly this specific agreement on Amazon has not only a clear clause that says all incentives are stop dead if you violate the agreement or you don't provide the job numbers but additionally there are claw back provisions that make very clear that if specific resources flow and then commitments are not kept the money can be recouped. So this is a much more aggressive approach. The history should make people queasy. What I hope we've learned from the history is to be much more aggressive, and much more legally binding. Now on your question, the infrastructure question.

Lehrer: Yes, yes.

Mayor: Look, Long Island City has been in the process of intensive growth. There was no guarantee in the world that Amazon was coming here. Before Amazon made a decision we were already – we had already committed over \$2 billion in infrastructure spending for Long Island City because it was growing both on a residential level, and we hoped more and more on the job level as well. Intensely it's one of the areas in the city with the greatest potential for growth including housing, affordable housing job, etc. Obviously we put the ferry service in several

years ago hoping that this would be an area that really would grow. That infrastructure spending was going to happen either way. Does this add some additional impact? Of course it does. But I want to parse the points you made on the school. We think some people who will work at Amazon will live in the community, we think other people will reverse commute, or commute the normal way to Amazon. We're getting a school site. They're giving us as part of the deal for free the site to do a new school. But that – Amazon will tell you that originally some of that was going to be housing, which actually would have even put more strain on schools. Obviously transportation, this is a community that needs a lot more transportation options. We're already talking about adding an additional Long Island Rail Road stop. We're talking about creating a shuttle bus to go from the ferries throughout the community to make it easier for people to get to the ferries and not have to use the subway. All of that kind of thing though would have been needed Amazon to know. And the last point is in the short term in the next few years, Amazon is going into the Citi Bank building which has four subway lines below it, which means that people who go to work there are going to literally get out of the subway – many of them reverse commuting and go right into their office. So I think that's manageable. Short term we're going to have to do a lot more for the community in any event on transportation going forward.

Lehrer: It's our weekly Friday 10 a.m. 'Ask the Mayor' segment here on WNYC with Mayor Bill de Blasio and George in the Bronx. George you're on WNYC, thank you for calling.

Question: Hey Brian, good morning. Thanks for taking my call. Good morning Mr. Mayor.

Mayor: Good morning.

Question: Just the plan will work for Long Island City if you take the money up front and invest into the infrastructure of Long Island City. But more importantly my issue has to do with last night's debacle. I heard your Commissioner speak this morning about the bridge was closed and after that point there was nothing they could do, but I think there should have been some kind of contingency plan. I was stuck for four hours on Gunhill Road yesterday. There was no police presence, no traffic, no Sanitation whatsoever. I think they really dropped the ball on this one.

Mayor: So let me – you had two points. The first one, I think you are absolutely right about upfront investments in Long Island City, one of the things that's also part of this plan that was agreed to in writing - binding - is that the payments that Amazon will make to the City, the tax payments, half will be devoted to the Long Island City neighborhood, not to the Amazon campus, but to the physical improvements of the Long Island City neighborhood. We think that's about 650 million in the short term. But again the City is going to be doing a lot more beyond that.

On the point about the storm, look I was caught in it too. I want to tell my fellow New Yorkers we all go through the same exact experience. I was out there in paralyzed traffic. I think this an example that is not as simple as people "dropping the ball" because I look at the track record of the Sanitation Department which handles the snow removal, I look what they've done in the series of storms in recent years including the biggest one in New York City history a few years ago and they have done an amazing job. Something was different here.

The George Washington Bridge, no one that I know has a memory of it shutting down in rush hour, totally outbound, entire shutdown, we don't have a lot experience with that. I think the domino effect of that was huge. But here is the bottom line, we've got to do better going forward, we got to learn some lessons. The core lesson I'm learning, I've had a lot of conversations this morning with my team to understand that there's going to be a full operational review of what happened.

I think the crux of this matter was on Wednesday night the National Weather Service was saying one to two inches. We would never have, you know, called out all the troops for one to two inches of snow. Around 10 or 11 on Thursday morning it jumped up to three to five inches, per se, even three to five inches of snow doesn't do a whole lot to the City of New York. But then it became clear it was going to hit right at rush hour, heavy snow, wet snow, fast snow, obviously early in the season, you know, leaves still on the trees. That's when it became clear that we were dealing with something very different. I think if we could – if we had better knowledge, we would have told people on Wednesday night do not drive today, get off the roads, you know, let the snow plows do their work, it's going to be impossible to move around. We've done those sort of snow emergency alerts and people really honor them, but honestly by the time we got that information it was too late to do that.

Lehrer: And you did – you did cancel alternate side of the street parking for Thursday as of Wednesday anticipating something. Was – did you consider and was there a reason why it was decided not to pretreat streets or preposition plows for this?

Mayor: Yes the same exact point. Until – remember that things started to go bad at around 4:30. I believe 11 o'clock is when we got the information that the numbers were starting to move but even that was more mild than what really happened. The snowplows – you know, New Yorkers of course want to see snowplows hitting instantly – there has to be a certain amount accumulation for them to work. They can't plow, you know if there is a half inch of snow they literally are not able to physically plow. There needs to be a certain amount of accumulation. So we got caught in a situation where by the time there was accumulation, the traffic was already starting to lock up.

I think, again, the bottom line here is where we could have turned this scenario, was on the frontend, being even more concerted. I always say, you know, National Service does great work but you have to assume things will be more and faster than they say. We could have in retrospect, and even more concerted hearing one or two inches of snow, we could have sounded the alarm, but the problem with that is people would have said why the hell are you declaring an emergency for one or two inches of snow? There's got to be, we've got to figure out how to make adjustments when we have only a few hours but this was kind of – I hate to use this hackneyed phrase – this was kind of a perfect storm. Late information, right up on rush hour and then a particularly fast, you know heavy kind of snow. NYPD, FDNY, they tried their damndest to deal with the trees that fell – that was another big x-factor, it wasn't just the bridge.

Lehrer: Right.

Mayor: It was a bunch of trees that fell. That's not something – unfortunately when a tree falls, it's not like a snap your fingers, move a tree, it takes a while and a bunch fell on the street. This was a real tough one but we nonetheless have to do better.

Lehrer: Devin in Astoria, you're on WNYC with the Mayor, hello Devin.

Question: Hey, good morning Brian, good morning Mayor de Blasio. I'm a Queens resident, I have always supported you Mr. Mayor. I believe that you are a true progressive at heart and that is why I cannot comprehend how you can support this deal with Amazon. I'm not against Amazon coming to New York but I feel like we don't need Amazon. Amazon actually needs us more than we need them and somehow a lot of us are sitting here in Queens and we're bracing for the worst.

I know the jobs are important but there is not solid plan here to address housing affordability, no solid plan to protect small businesses as far as I can tell, and no plan to really ensure that Amazon's coming in to improve our community instead of exacerbating problems that we're already dealing with. I just – I would expect something like this from Governor Cuomo to be perfectly honest, but I hold you in a bit of a higher regard and I'm really disappointed with this and thank you for listening.

Mayor: Thank you and I know it's a heartfelt question. I have a very clear set of progressive values that also include – it's my obligation as a steward of a city of 8.6 million people and a lot of people who don't have a job or a don't have a good paying job to constantly create more job and better paying jobs, I've been talking about that for years. It's my obligation to think about not just today but where we are going to be in 10 or 20 years, long after I'm out of this office and building up our economy, building up our – particularly tech community, which is bluntly a counterbalance to what used to be the dominance of the financial sector in this city, which was not healthy for this city. We need to have a different kind of economy and the tech community is the best way to achieve that.

I need to help people understand that when you are talking about for every tax dollar involved, \$9 comes back, I get – lord knows if you said to me, does a big corporation need any money from the people on first flush, the answer would be no. But then when you get into the specifics of first of all, these were overwhelmingly programs available to all companies, as a right, automatically, I don't think it would be a great approach to a negotiation to say, well every other company gets this but you don't. They were going to produce a vast amount of revenue to do the exact same things you talked about, affordable housing, helping people get job training, a lot of things we do to protect a small business and protect communities cost money, we have to have a tax base that provides for that.

So on the planning point, this is something – these jobs are going to develop over ten years. If we get to the 40,000 level, that's probably more like 15 years. There's a lot of time to address the underlying needs but again a lot of what I think you'd argue that you'd want to see, the infrastructure spending, more transportation, those all cost money in a tight – already always a tight budget. We have to produce the money to do it. So I do hear in the heartfelt question about how we strike that balance. I would never have agreed to tailor made specific incentives for

Amazon. The City said no to that. There are – you know, there are things that we just weren't going to do, but that being said, I think if we were talking this morning about why Amazon went to Dallas, which was an exceedingly live option, and what it meant for New York City that we lost 25 to 40,000 good paying jobs, I think people would say that we're upset and that's a step back for the city.

Lehrer: On the housing piece, if your big affordable housing plan improves things but doesn't end the problem, you know, all together as we know, then I read 1,500 units of affordable housing in Long Island City itself will be cancelled. If Long Island City starts to cost like Battery Park City which is near Wall Street, if Sunnyside starts to cost like the Upper West Side, where do the non-software engineers live? The Seattle story, as I've heard it, includes rising homelessness in the Amazon era.

Mayor: Well, you put together several things and I've got to pull them apart real quick. We're not Seattle, we're not San Francisco. Those are places that have not done a good job of creating affordable housing and do not have a big affordable housing infrastructure. We have 400,000 people in public housing that we are going – we are investing a huge amount, billions in and we're going to protect long-term including the folks in Queensbridge Houses right near the site who will finally have more economic opportunity because of this. We have, you know, over two million people who are in rent-regulated housing and affordability protected. Our plan, you mentioned, affordable housing plan will reach over 700,000 more New Yorkers and we have to pay for all that. We have to pay for public housing; we have to pay for the affordable housing plan. This money literally is part of what's going to allow us to sustain that level of affordability, but the other problem, Brian, has been – what's the core problem for a lot of working New Yorkers? It's that they're rent burdened. They're paying 50 percent or more of their income in rent because they're in jobs that pay too little. So inherently we have to create not only a volume of new jobs but a higher cut of jobs. Now if you go into this Amazon campus in the future, there are going to jobs, in some cases, even for young people coming right out of New York City public school or coming out of a two-year degree from a city college – community college – and those jobs will be \$50,000 – \$60,000, like a salary that people could actually live on in this town and that's part of addressing inequality. It's not just affordable housing programs. It's raising the floor on wages and benefits, but all of that costs money, and all of that has to involve the growth of a private sector economy but with real demands about ensuring they're good jobs and that the jobs – real opportunity is there for people who have been left out, that's the game plan.

Lehrer: On housing, turning to NYCHA. You had this agreement, as obviously you know, for a federal monitor to oversee repairs from the large-scale infrastructure problems which become large-scale human being problems, and along comes a federal judge on Wednesday and says not good enough, not specific enough in its metrics for improvement and oh by the way, hello Ben Carson, this is the Federal Department of Housing and Urban Development's responsibility and it's shirking it. So in your opinion is this intervention by the court good, bad, or mixed for the people of NYCHA?

Mayor: Okay, well I hate to give a "it remains to be seen" answer, but the pure truth is it remains to be seen. I think what's interesting is this judge has also worked on other NYCHA issues and has not just been about wanting things to be specific but wanting them to be realistic. I

think the judge understands there's not limitless resources, there has to be a sense of prioritization, but as much specificity as possible, a real plan that can be realized. Also I think the judge is right to say there's more that HUD can do. We've had good conversations with HUD, it's been collegial but it has been a bit of a hands-off approach on one level. I think the judge is saying hey, there's more tools that HUD has at its availability to help us. Obviously, there's an interesting fault line in the original settlement – why is the City of New York pouring \$1.2 billion and no other entity is required to do anything. The federal government is not required to put it money, the state government is not required to put in money. We're still trying to get \$450 million from the state that was approved in two budgets and we haven't seen a dime. So, you know, we're kind of on an island here, NYCHA and the City of New York trying to address these problems, without the other levels of government making any specific commitments. If this decision by the judge forces the hand of the others to actually step forward with more tangible support that could be a good thing.

Lehrer: We have about three minutes left and I'm going to come back to Amazon yet again because we're getting so many questions on Twitter and in a way a lot of them, or one thread of them, that we haven't touched on kind of boils down to who about you – why are you now being an enabler in the larger sense. So here's one from listener Seth on Twitter that says: “ask the mayor why he fought Walmart opening in New York City as opening our doors to a proven job killer, but is rolling out the red carpet for a union-busting job killer,” he calls it Scamazon, “especially as New York suffers an exodus of mom-and-pop businesses?”

Mayor: Okay. That's a fantastic issue that we need to discuss and this is where I'm going to ask all New Yorkers and particularly my fellow progressives to look carefully what's similar and what's different here. I was actively involved in the effort to keep Walmart out of New York City. I would, this very day, reengage that effort if Walmart made any effort to come back in. We have all worked together to keep them out and we've succeeded in keeping them out. Walmart, I would argue, whatever you like or dislike about Amazon, Walmart is an entirely different universe in terms of the systematic efforts that they have undertaken to not only undermine labor, small business, the environment, American workers, and obviously the politics of the Walton family to add to it – Walmart does not belong in New York City. The difference here is what we were dealing with there was the actual stores, the actual front line work of Walmart, they were going to put vast big-box stores in New York City that would have started to undermine retail right now, directly, et cetera. Amazon is part of – right now it's part of the American economy. I would ask every good progressive, every listener out there if – who has a concern about Amazon, you know, how many are using Amazon as part of their daily life versus not. But the fact is Amazon was going to create this headquarters unquestionably in one or two locations in America. It was an absolute given. It was not about putting a bunch of big-box stores here. It was about choosing a headquarters location. We could have said we have some disagreements because we – obviously I do have some philosophical disagreements, so we don't want 25,000 to 40,000 jobs. I think we did what was the smart, pragmatic thing and said, we need more jobs, we need more quality jobs, we need that huge tax revenue to do a lot of important progressive things. They're going somewhere, they are going to exist, they're going to be central to our economy – let's deal with those realities. I also think if they're here, they're going to be exposed to a whole different set of values that are going to affect them. It is so different when you're talking about a single transaction, 25,000 to 40,000 jobs, that's not one Walmart big-box store or

even several Walmart big-box stores – that is a seismic difference in terms of the impact on this city’s economy. It’s just apples and oranges.

Lehrer: Mr. Mayor, thank you as always. Talk to you next week.

Mayor: Thank you, Brian.

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