

“Proposed Willets Point Redevelopment Hearing, Part II”

Testimony to NYC Council Committees on Land Use and Economic Development

The New York City Central Labor Council

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Good afternoon. Thank you Co-Chairs Katz and White, and the other Council Members on the committee for the opportunity to testify today on the Willets Point Redevelopment Plan. My name is Ed Ott, Executive Director of the NYC Central Labor Council (CLC), a federation of 400 affiliated local unions representing 1.5 million working men and women in New York City.

The NYC Central Labor Council believes the Willets Point Redevelopment Plan has the potential to generate significant economic growth for the City; however in order to promote development that is both responsible and sustainable, sufficient labor standards must be included and the City must ensure that the taxpayers share in the benefits. We have been aggressively supporting economic development in collaboration with the City, the business community, and the community over the last couple of years but we are at a point now where we have to ask hard questions relating to how we should be approaching future development in the City.

One of the benefits of promoting economic development projects has always been job creation, but what kind of jobs are we trying to create and support? We are giving jobs to

people but not careers, and there is a significant point of distinction between the two. While we have managed to keep unemployment relatively low, working peoples' wages have stagnated. More and more New Yorkers go to work every day but do not earn enough to make ends meet. If we do not change the way we approach development in this City, we are in danger of creating a permanent underclass of working poor under the guise of new prosperity.

The redevelopment at Willets Point has the potential to do great things for the residents of Queens, but in order for the project to truly revitalize the area and "create the next great neighborhood", the City must ensure labor standards and accountability measures that will protect workers and the public interest. The plan projects the creation of 500,000 square feet of office space, 700 hotel rooms, over 1MSF of retail and entertainment space, 5,500 units of mixed-income housing, and other uses such as dedicated open spaces and community space. With all the opportunity that is expected to result from the redevelopment of this area, there is a lot to be gained here. There is also a lot that could be lost if we don't take advantage of the moment.

We believe it is primarily the responsibility of the City, not the developer, to ensure the economic livelihood of the people. We also believe that where there is public investment in an economic development project, there should be assurances on creating quality jobs with real standards. With that in mind, the City should include in the Willets Point Plan provisions that specify labor standards and bind the developer and their contractors and

successors to those standards. Similar standards should also be considered that can be applied to all other economic development projects moving forward.

The City should also make sure that this project benefits the City's taxpayers. To that extent, the lease or sale of any land taken by eminent domain should also include revenue-sharing mechanisms that increase the amount of money the City receives if the project has increased revenues. These revenues should be protected by a labor peace agreement.

In order to achieve sustainable development at Willets Point, the plan must include labor standards that incorporate the following concepts:

- The City should provide meaningful training and career opportunities for new workers and encourage the use of contractors and subcontractors which invest in a skilled, qualified and safe work force.
- The plan must include labor standards that support good jobs defined by livable wages.
- The City should ensure that all building and construction jobs pay prevailing wage, and that real wage standards are attached to all building service jobs, retail jobs, hotel jobs, and other jobs that are generated from the redevelopment.
- Such wage requirements should apply to all permanent employees whether they work under a contract or subcontract. All tenants, subtenants, contractors and subcontractors should comply with set wage requirements.

In addition, to ensure that any hotels that are build in the area are not unreasonably disruptive to the surrounding neighborhood or blur the line between hotel and residential development, a special permit should be required for any hotel, motel, or other such extended stay facility built on the site.

The CLC supports economic development efforts in the City but we must redefine the way in which we approach development so that communities like Willets Point can benefit.