

WILLETS POINT RE-DEVELOPMENT PROJECT

M/WBE and Local Hiring Task Force

Minority/Women Business Enterprise and Local Hiring Initiative

The Willets Point M/WBE and Local Hiring Task Force (Task Force) calls for the creation of a Minority/Women Business Enterprise Contracting Program (Program) to be implemented by the Developer for all contracting activities related to Willets Point Redevelopment Project (Project).

The Taskforce also recommends a workforce participation program that will ensure training, hiring and referral programs for pre-construction, construction and post-construction phases of the project. The goals set by this program will address local, minority and women residents as well as low to moderate income individuals. The program shall provide workforce development services for unemployed persons including, but not limited to, job readiness, skills development and worker training.

The Taskforce calls upon the New York City Economic Development Corporation (EDC) to take all necessary steps to ensure that the goals and commitments reflected in this Program are incorporated into all relevant solicitations and agreements to which the EDC is a party, to the maximum extent permitted by law. EDC shall also require, as a provision in all solicitations and agreements relating to the Project to which EDC is a party, that the Developer(s) selected for the Project, and its/their consultants and agents, meet at least on a quarterly basis with the Task Force and present to the Task Force a detailed plan for addressing the goals of the Program.

Participation Goals

Contracting

The Task Force recommends the following minimum participation goals to ensure a meaningful participation by Minority and Women Business Enterprises (M/WBEs) in the Project. To maximize opportunities for qualified M/WBEs, the Developer(s) selected for the Project should seek strategies such as carve-outs, contract unbundling and joint venturing.

Pre-Construction – Professional Services

The utilization of professional services, which include but not limited to architectural, engineering, legal, planning, transportation/traffic analysis, financial, marketing and other consulting services, during the pre-construction phase of the Project, have the following minimum goals.

- Minority Business Enterprise (MBE) – minimum award of five percent (5%) of the total dollar value of pre-construction service contracts to Minority owned professional service firms.

- Women Business Enterprise (WBE) – minimum award of three percent (3%) of the total dollar value of pre-construction service contracts to Women owned professional service firms.
- Queens based Business Enterprise (QBE) – minimum award of five percent (5%) of the total dollar value of the pre-construction service contracts to professional service located in Borough of Queens.

Construction

All construction trades including related suppliers and general conditions providers utilized during the construction phase of the Projects are subject to minimum goals. The goals encompass all levels of contracting including subcontracts and sub-sub contracts.

- Minority Business Enterprise (MBE) – minimum award of twenty percent (20%) of the total dollar value of the construction contracts to Minority owned construction and construction related firms.
- Women Business Enterprise (WBE) – minimum award of five percent (5%) of the total dollar value of the construction contracts to Women owned construction and construction related firms.
- Queens Based Business Enterprise (QBE) – minimum award of twenty five percent (25%) of the total dollar value of the construction contracts to Queens based construction and construction related firms.

Post Construction

Post construction services that support the on-going operation and maintenance of the finished Project, including but not limited to security, landscaping, supply, and custodial services contracts have following minimum goals.

- Minority Business Enterprise (MBE) – minimum award of fifteen percent (15%) of the total dollar value of the post construction purchasing and service contracts to Minority owned firms.
- Women Business Enterprise (WBE) – minimum award of ten percent (10%) of the total dollar value of the post construction purchasing and services contracts to Women owned construction firms.
- Queens based Business Enterprise (QBE) – minimum award of fifteen percent (15%) of the total dollar value of the post construction purchasing and services contracts to Queens based firms.

EDC Adoption of Participation Goals

EDC will encourage participation goals set by the Task Force. However, EDC will maximize allowable MBE and WBE participation goals in its solicitations and agreements relating to the Project, to the extent feasible and consistent with applicable federal, state and local laws and policies. EDC should further, to the maximum feasible extent consistent with costs and other factors, structure any such solicitations so as to

encourage developers to include MBE and/or WBE joint venture partners and/or to operate with a significant level of subcontracting opportunities, particularly at dollar value levels that are likely to ensure that MBE and WBE vendors are able to perform such subcontracts. In addition, if at any time during the development of the Project, the City has certified a sufficient number of Emerging Business Enterprises (EBE) to support the establishment of additional participation goals for EBEs, EDC shall also include such goals in relevant EDC solicitations and agreements to which the EDC is a party. EDC's solicitations and agreements shall include prime contract participation goals for all of the above-described types of services, and shall include subcontract participation goals for professional services and construction. As further described below (under Capacity Building and Outreach), EDC shall require the Developer(s) selected for the Project to make maximum efforts to ensure that Queens-based businesses are made aware of and offered an opportunity to participate in the contracts and subcontracts for the Project.

Workforce

The primary geographic area established for workforce recruitment is the Borough of Queens with the secondary target including the New York City region. The Developer(s) selected for the Project shall make good faith efforts to meet the overall goals during all phases of the project.

- Minority Workforce Participation – not less than 35% of the work hours shall be awarded to minority construction workers of which 35% shall have the status of journey level worker.
- Women Workforce Participation – not less than 10% of the work hours shall be awarded to women construction workers of which 35% shall have the status of journey level worker.
- Each goal shall be achieved separate and apart from each other.
- Hiring goals shall include specific commitments to communities directly impacted by the project (ie Corona, Flushing, East Elmhurst).
- Hiring goals shall include specific commitments to hiring individuals who can demonstrate prior or current employment in the Willets Point neighborhood.

The Developer(s) selected for the Project shall also work with EDC and the Department of Small Business Services to set projected hiring targets for newly created permanent jobs through the project. The target population is defined by the communities mentioned above with high concentrations of poverty.

EDC will encourage participation goals set by the Task Force. However, EDC will maximize the minority and women workforce participation goals in all of its City's solicitations and agreements relating to the Project, to the extent feasible and consistent with applicable federal, state and local laws and policies. As further described below (under Capacity Building and Outreach), EDC shall require the Developer(s) selected for the Project to make maximum efforts to ensure that Queens residents, particularly those from the communities most directly impacted by the Project, are made aware of and offered an opportunity to participate in the workforce opportunities offered for the Project.

Capacity Building

Contracting

The Developer(s) selected for the Project, in order to encourage successful participation by M/WBE firms, EBE firms and QBE firms in the Project, is encouraged to establish or incorporate existing capacity building programs and one-on-one consulting services to the Program. EDC should include in all relevant solicitations and agreements for the Project the requirements described below as the capacity building element of the Program, including but not limited to, the following components to increase the technical knowledge of M/WBE, EBE and QBE firms.

Business Assistance Programs

- Assist business to improve their basic business skills including but not limited to financial management, marketing, organizational structure, bonding and credit readiness and other business administration skills.
- Advance level assistance for established firms to encourage growth and expansion.
- Certification assistance to qualifying Minority/women owned firms and emerging businesses in obtaining certified status with New York City Department of Small Business Services (SBS).

Technical Assistance Program

- Construction related courses such as cost estimating, contract management, project management, blue printing reading, safety, scheduling, bid and proposal preparation and etc.
- Advance level assistance for established firms to encourage growth and expansion.

Financial Assistance Programs

- Bridge or revolving loan programs providing working capital and easing the entry for qualified firms with cash flow issues.
- Advance and quick payment processes for M/WBE, EBE and QBE firms on the project to ensure steady cash flow.

Workforce

The Task Force sets the following minimum workforce standards:

- The Project will focus on equal opportunities for minorities and women in the workforce and will make every effort to comply in good faith with all participation goals instituted by the Program.
- All contractors employed on the project shall be required to aggressively seek to comply with on-site equal employment opportunity and take workforce affirmative action steps for all minority groups and all women both minority and non-minority.
- Employment must be substantially uniform throughout the length of the contract in each trade.
- There must be transparency in the hiring process.
- The Task Force calls for a Project Labor Agreement for the project to promote uniformed wages and benefits and to promote employment for Queens residents.

- The Developer(s) selected for the Project shall require that all professional service firms adopt and make good faith efforts to achieve the workforce participation goals and work with firms that foster the hiring of qualified Minority and women professional employees.
- The Developer(s) selected for the Project shall give preference to those professional service firms that have demonstrated a commitment to the goals of hiring and promoting qualified Minority and Women professionals.
- The Developer(s) selected for the Project shall sponsor a job “training program” to train Queens residents for construction jobs within the project including assisting with GED certificates when necessary.
- The Developer(s) selected for the Project shall require all construction contractors working on the Project to make good faith efforts to hire a portion of their workforce(s) through the “training program”.
- The Developer(s) selected for the Project shall work with local High Schools that focus on the construction trades for internship opportunities, speaking engaging and out reach to high school students interested in all areas of construction.

Outreach

Contracting

The Developer(s) selected for the Project will establish standards, tools and resources to market and promote opportunities available to the community and recruit qualified firms and individuals for the Project.

- Promote the opportunities available in the Project and about the Program to M/WBE, EBE and QBE firms through direct mail, advertisements, web site, newsletters and etc., including, but not limited to, publications serving Queens, particularly the communities most directly impacted by the Project, as well as publications serving the M/WBE and/or EBE communities, as identified by the Task Force and SBS.
- Host and participate in trade fairs, networking events, conferences and etc to promote available opportunities and to reach out to M/WBE, EBE and QBE business community.
- Host pre-bid and pre-construction meetings with bidders and potential bidders.
- Produce “Construction Forecast” tools to identify and inform potential bidders of Project timeline and upcoming bidding opportunities.

Workforce

- Contractor(s) shall be required to make written requests to the Trade Unions for referrals of minority and female employees and unemployed Queens Union members.
- All contractors, prime and subs, must attend all events recommended by the Task Force to identify minority and women workers who may be eligible for workforce programs who are interested in participated in the Project.
- The Task Force shall provide the Developer(s) selected for the Project with a list of recruitment sources to be used. The Developer’s recruitment activities shall include

such sources, and such Developer(s) shall provide written notification to such sources when the Contractor(s) or its unions have employment opportunities available, and maintain a record of the organizations responses.

- The Developer(s) selected for the Project shall work with community based organizations and trade associations to compile a list of unemployed union members who are Queens residents.
- The Task Force shall provide the Developer(s) selected for the Project with a list of pre-apprentice training programs to be used. The Developer(s) shall require contractors to use such list as a source for recruitment and provide written notification to such programs when the contractor or its unions have employment opportunities available, and maintain a record of the organizations responses.

Administration and Oversight

The Developer(s) selected for the Project will establish written program and policy document in cooperation with the Task Force to administer the Program in order to ensure proper oversight and enforcement of the participation goals of the Project. EDC will include enforcement and oversight provisions in its solicitations and agreements relating to the Project, consistent with applicable federal, state and local laws and policies.

In addition to any EDC enforcement and oversight provisions, the Task Force calls for the establishment of a binding agreement between the Task Force and the Developer(s) selected for the Project, following such selection (the Task Force Agreement). The Task Force Agreement, to which EDC will not be a party, may include provisions such as:

- Pursuant to such Task Force Agreement, the Developer(s) will adhere to the provisions of the M/WBE Program Compliance Manual (Manual). The Manual, to be created by the Task Force, will establish monitoring and compliance guidelines and procedures including good faith efforts standards. Non-compliance sanctions and procedures (separate from any measures to be enforced by EDC) will also be identified in the Manual.
- If determined at the end of each development phase that the Developer(s) have not fulfilled its obligations regarding outreach, capacity building, reporting, and good faith efforts to achieve the MWBE and workforce participation goals, such Developer(s) shall pay, in a fund set up by the Task Force, liquidated damages for such failure, the sum to be determined by the Task Force to be used by the Task Force to support the training program.
- The Developer(s) shall sponsor a mediation/arbitration team to resolve disagreements within 60 days of dispute.
- The Task Force shall enforce the Task Force Agreement at the Developer's expense.

- The Developer(s), in partnership with the Task Force, will engage an entity or a person to serve as the Program Administrator at the Developer's expense. The Program Administrator will monitor and manage the day-to-day activities for the Program and will report to the Task Force and the Queens Borough President's Office.
- The Developer(s) selected for the Project will submit reports to the Task Force, NYCEDC and the Queens Borough President detailing the attainment of the participation goals and Program progress, including details of outreach and capacity building activities. Such reports shall detail such Developer(s)' attainment of those MBE, WBE and, if applicable, EBE goals requirements, as well as all applicable Capacity-Building and Outreach requirements, as such provisions are included in any relevant City solicitation and/or agreement relating to the Project, as well as the attainment of any applicable additional provisions that may be included in the Task Force Agreement .
- The Developer(s) selected for the Project will require all contractors, prime and subs, to submit workforce employment reports outlining each trade to be utilized, total number of employees and number of minority and female workers and total number of hours employment for each employee classified in each trade.