

****NYC's Affordable Housing Plan**

- *Aggressive
- *Many Points of Interests
- *Forced People/Groups to Engage
- *Could Potentially be Ground Breaking

Public Funds for Public Good

What is Public Good?

- *Affordability
- *State Approved Apprenticeship Training
- *Fair Distribution of Wealth
- *Increase Units of Affordable Housing
- *Create Safe and Quality Housing
- *Create Good Paying Jobs and Career Opportunities

Labor Concerns

- *Substandard Wages
- *No Benefits
- *Short Term Jobs (Economic Boomerangs)
- *Lack of State Approved Apprenticeship Training
- *Wage Theft
- *Not For Public Good

Why Should You Care?

*One third of New York City's residential construction is underground (conservative 2007)

*It is estimated that the New York City affordable housing construction workforce numbers 13,350 workers. Of this number, about two thirds, or 9,000 workers, are illegally employed, either as independent contractors or employed off the books.

*Many workers are paid **\$10** an hour.

Why Should You Care

Employment practices in the affordable housing construction industry have sizable fiscal costs:

- *\$85 million to \$126 million.

- *Must also take into account the cost of healthcare

The City heavily subsidizes the affordable housing industry.

Not for Public Good

City Hires Firms that Cheat Workers

Greg B. Smith – Daily News



Rigoberto Aquino (left) and Domingo Reyes hold a paycheck they say cheated them. Aquino, 28, is trying to support a wife and four children in the Bronx, but he only got \$140 a day for a nine-hour workday from contractor at a Bronx affordable housing site.

"I know they weren't paying me what they were supposed to," he said. "I'm mad because I cannot give my family what they really need."

Worker Exploitation

EXCLUSIVE: Contractor cheated workers out of wages at Harlem housing development.

Workers hired to build the 124 affordable apartments at the Sugar Hill Development say they were paid about \$15 an hour despite prevailing wage rules that said they should have been getting \$65 an hour. City officials on Friday confirmed that contractor had underpaid laborers by nearly \$300,000.

A.G. Schneiderman Announces Masonry Contractor Will Pay \$600,000 For Underpaying Workers On Affordable Housing Project

Masonry Contractor Failed To Pay Workers Legally Required Wages On Taxpayer-Funded Affordable Housing Project In Brooklyn

Schneiderman: Contractors Who Underpay Workers Will Be Held Accountable.

A.G. Schneiderman Announces Contractor Will Pay Nearly \$1 Million To Laborers Underpaid For Work On Taxpayer-funded Affordable Housing Units For Seniors

General Contractor To Compensate More Than 30 Workers Shortchanged On Two Brooklyn Projects Developed By NYC Department Of Housing Preservation And Development.

Schneiderman: My Office Will Aggressively Pursue Contractors Who Cheat Workers And Taxpayers

Segundo Remache, a Riverway project worker, said, "I am happy that I will finally be paid the money we worked so hard for and I am especially grateful to Attorney General Eric Schneiderman for making sure we will get paid."

A.G. Schneiderman Announces Arrest Of Bronx Affordable Housing Contractor For Cheating Workers Out Of Hundreds Of Thousands Of Dollars

Owner of company and two others arrested on 29-Count indictment charging grand larceny, scheme to defraud and money laundering.

Schneiderman: Owner Who Required Workers To Pay Kick Backs Is Now Facing Criminal Charges

To conceal their scheme, the men underpaid some of their workers by paying them in cash and excluding those workers on certified payroll reports submitted to HPD as a condition of payment. In addition, some workers who were listed on the reports were given the amount of money as listed on the certified payroll reports but were then required to return a portion of their wages to the defendants each week.

FPI's Research

One third of New York City's residential construction is underground:

New York City has been experiencing a tremendous boom in residential construction since 2000. New residential construction permits and construction awards have more than doubled. Yet there has been only a very slight increase in the Labor Department's official count of New York City residential construction workers.

Conservatively, it is estimated that the current level of construction activity employs 82,000 New York City residential construction workers, and that construction contractors employ more than one third (30,000) of this number on an illegal basis.

As many as 17,000 workers may be paid off the books and so do not show up in the official employment numbers. Also, 13,000 of those identified as self-employed in Census Bureau data may be employees who are misclassified as independent contractors by their employers.

Homeowner and renter issues

In the following pages I provide the evidence of mostly newly construction and a few renovated HPD Building with:

1. Major structural defects
2. Sewage backups
3. Water leaks
4. Mold
5. Faulty equipment and systems

Many of these developers and contractors are (or were) on the board of NYSAFAH

Developer -----, with long history of lapses, botched homes for city program in Ocean Hill, homeowners and city say ...

“Leaks, mold, cracks in walls, outlets and plumbing not working”



Erin Durkin/New York Daily News

Ocean Hill homeowner Scott Levin shows leaks in his basement home that was part of shoddy work by shady developer hired by the city.

Structure



Sinking Foundation



Sinking Foundation (cont.)

This house is sinking. The proper foundation supports were never used on this Rockaway house. When the homeowner walks across her living room, the floor bounces. Front yards in the development are now riddled with sinkholes.

Not shown in this picture are the doorframes that were simply wedged into the house, with no actual screws or nails holding securing them to the building. The buildings were designed for hot water baseboard heating, but instead faulty forced air systems were installed.

The developer insufficiently insulated and windows were improperly installed. This development is, situated between the ocean and the bay, is susceptible to high winds.



The sinking foundation at this Brooklyn home is causing chronic flooding into the basement. The water seeps into the crack between the home and the improperly sealed foundation and gushes into the basement. Structural integrity of the foundation is decaying. Instead of finding pleasure in her first home, the homeowner faces constant anxiety and never knows what she will come home to.

Leaks



Leak



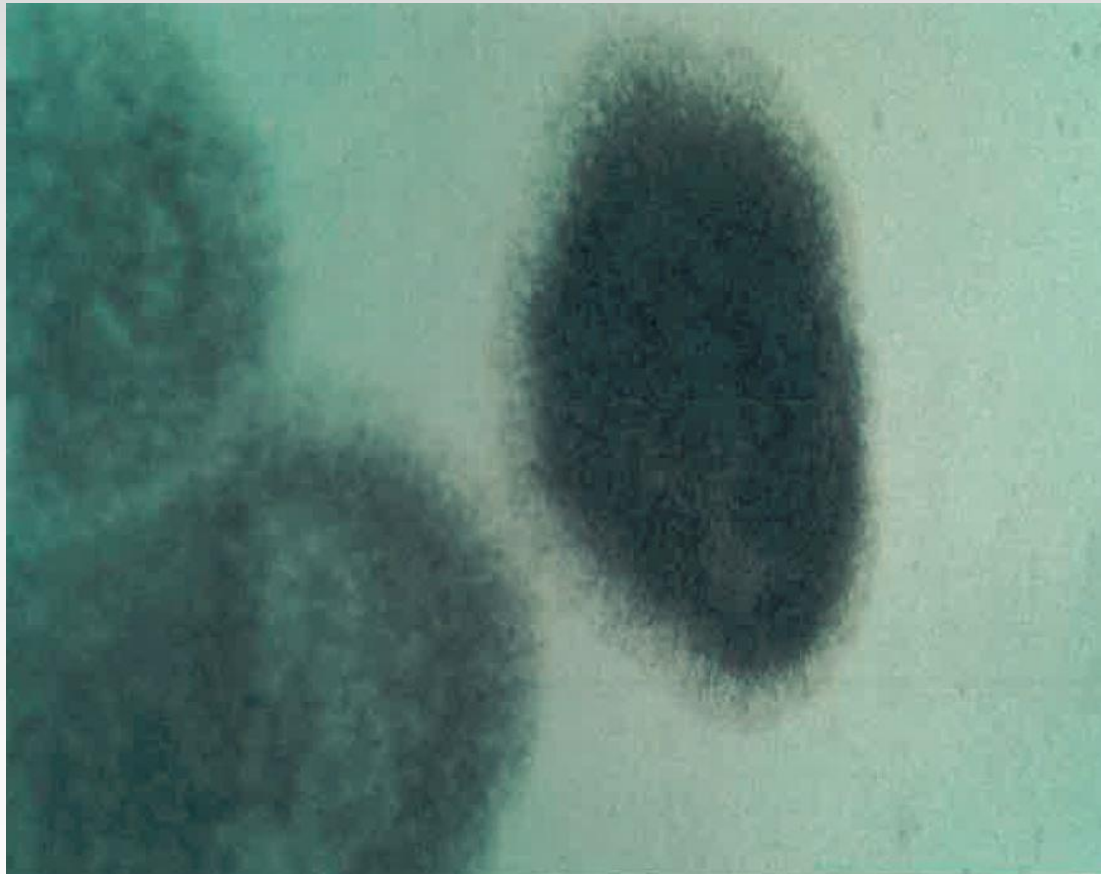
Leak



Mold



Mold



New York Times



Arisleyda Estrella and her husband, Ron Skinner, on the leaky roof of their Brooklyn home.

By: [CHARLES V. BAGLI](#)
Published: August 19, 2012

Homeowners

“We love our home,” Ms. Estrella said of the house, which is on Pulaski Street. “The architecture is wonderful; it’s well thought out. But we got the worst craftsmanship. We trusted the city. We feel like we were bamboozled.”

Ms. Estrella and other owners of city subsidized housing insist that oversight is critically needed for one of Mayor [Michael R. Bloomberg](#)’s main initiatives, the largest municipal housing program in the country.

Bed-Stuy homeowners charge city and developer tried to jack up price, then moved them into shoddy homes

Dream homes turned into nightmare amid delays and requests for more money

BY [Brian Kates](#), [Erin Durkin](#)
NEW YORK DAILY NEWS



Anita Clark at her home in Clinton Hill she purchased through an HPD lottery. She has had many problems with the house from the moment she moved in three years ago.

"I thought this would be a way to show my daughter how you can achieve the American Dream, and this is what I get," said Anita Clark, 53, an administrative aide with the NYPD.

Dream Homes Quickly Become Nightmares

Ocean Pointe Owners Say New Homes Deficient

By Miriam Rosenberg Contributing Editor

Concerns Over Private Firm Managing Some NYCHA Properties



Adi Talwar / City Limits