

Communication from Public

Name: Western States Regional Council of Carpenters
Date Submitted: 03/26/2024 09:29 AM
Council File No: 23-0623-S1
Comments for Public Posting: Western States Regional Council of Carpenters; amend Exhibit A, “Proposed Affordable Housing Streamlining Ordinance,” included in City Planning Commission Report CPC-2023-5273-CA, to align Los Angeles with state labor standards governing affordable housing.



WESTERN STATES REGIONAL COUNCIL OF CARPENTERS

Sean Hartranft
President

Frank Hawk
Executive Secretary-Treasurer

Frank Zambrano
Vice President



March 25, 2024

59 Spokane, WA
82 Great Falls, MT
96 NW Millwrights
196 Pile Drivers, WA
206 Seattle, WA
213 Los Angeles, CA
323 So. Los Angeles, CA
360 So. Puget Sound, WA
425 No. Puget Sound, WA
503 Portland, OR
541 Eugene, OR
555 Colorado
562 Long Beach, CA
619 San Diego, CA
635 Boise, ID
661 Sylmar, CA
714 Buena Park, CA
721 Whittier, CA
743 Bakersfield, CA
801 Utah
805 Camarillo, CA
808 Idaho Falls, ID
909 Ontario, CA
951 Riverside, CA
971 Reno, NV
1136 Kettle Falls, WA
1243 Fairbanks, AK
1281 Anchorage, AK
1319 New Mexico
1607 Millwrights
1912 Arizona
1977 Las Vegas, NV
2520 Pile Drivers & Divers, AK
2761 McCleary, WA
2851 La Grande, OR
2949 Roseburg, OR

Honorable Paul Krekorian
Council President
Los Angeles City Council
200 North Spring St.
Los Angeles, CA 90012

Dear Council President Krekorian:

On behalf of the Western States Regional Conference of Carpenters, I am writing in support of amending Exhibit A, "Proposed Affordable Housing Streamlining Ordinance," included in City Planning Commission Report CPC-2023-5273-CA of November 16, 2023. Bringing the City into alignment with state labor standards for housing, this amendment is necessary to achieve the trained workforce necessary to build the desperately needed affordable housing at the heart of Executive Directive 1.

Los Angeles is experiencing a severe housing crisis that prices out working families, seniors, veterans, and younger people from the rental market. Thus far, the achievements of ED1 under the leadership of Mayor Bass and the City Council are unprecedented and a significant step forward in solving the housing crisis. Incorporating the prevailing wage and healthcare payments for construction workers will support these goals by preventing widespread exploitation of the families who are displaced from the city. Without improved labor standards, construction workers will continue to be displaced from the city and forced to commute for hours from their homes in order to meet the labor demand required to build these crucial affordable housing projects.

Approximately half of California's 400,000-strong construction workforce are classified as Low, Very Low, or Extremely Low income (HUD, Census Bureau, 2017). Driven by exploitative employment practices and a rampant "race to the bottom" for low pay workers in residential construction, almost half of worker families in CA are enrolled in a safety net program at an annual cost of over \$3 billion (UC Berkeley, 2021). Even more, 85% of the construction workforce are people of color and the Centers for Disease Prevention has declared that construction occupations have the highest rate and number of suicides across all occupational groups. (Construction Alliance for Suicide Prevention).

Without labor standards, this policy would perpetuate the system of exploitation in residential construction where workers cannot grow and thrive in their Los Angeles communities. One in six construction workers are in the underground economy,



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either unreported or misclassified (Sinking Underground, 2014), where cheating in the housing construction industry was reported as “rampant” in a 2018 report by the CA Bureau of Field Enforcement. State enforcement efforts are woefully inadequate. Odds of facing an inspection by the CA Labor Commissioner’s office are once in every 300 years. In a recent 5-year study, the State’s Joint Enforcement Task Force inspected 0.16% of CA construction projects. An employer can expect a state JETF inspection once every 3,079 years. Even with the pitiful odds of inspection, multi-million-dollar citations for wage theft have recently been issued by the Labor Commissioner in the concrete and drywall sectors after years of tedious investigation (DIR Release 2023-82, 2021-108).

Our proposed amendment replicates the labor standards set out in newly enacted California housing legislation (AB 2011, SB4 and SB423) requiring the payment of prevailing wages and apprenticeship utilization already well-established in public works statutes. It also requires payment for worker health care benefits on larger projects over 50 units and, a private sector enforcement capability by federally recognized Labor-Management committees to combat the underground economy in this industry.

Workers essential in constructing affordable housing should be uplifted instead of displaced and exploited in a perpetual cycle of poverty. This amendment ensures that workers building affordable housing projects in Los Angeles will be able to live and thrive in our communities. We urge you to adopt the amendment.

Sincerely,

Frank Hawk
Executive Secretary-Treasurer