

City of New Rochelle

2020 Annual Report Analysis –
Results and Recommendations



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Background

- According to the Economic Opportunity and Nondiscrimination Policy (the Policy):
 1. All developers must submit annual reports to the City of New Rochelle (the City) for review
 2. These reports highlight information that allows the City to monitor best efforts with the goals outlined in the Policy
 3. For the year 2019, the City shared the annual reports received with Anchin in order to complete a retrospective review
 - These numbers will be discussed in our results section for comparison purposes
 4. For the year 2020, all annual reports were uploaded to Anchin's secure file transfer system, Huddle, for review and analysis



Annual Reporting Requirements

- **Individual hiring**
 - Targeted Workers¹ and Other New Rochelle (NR) residents
 - 20% of the work hours on the project to Targeted Workers
 - Provide count of Other NR residents
 - Apprentices
 - 1,000 hours for every 20,000 construction hours performed by a Prime Contractor and its subcontractors of any tier
- **Non-construction employment**
 - Targeted Workers
 - 25% of the available jobs on the project



(1) A qualified and/or trained worker referred to a Construction Contractor or Employer by the First Source Referral Center, either for the currently available position, or for any position within the previous twelve months.

Annual Reporting Requirements

- **Construction Contracts**
 - NR businesses – *developer obligation*
 - 10% of prime contracts for construction work
 - NR businesses – *prime obligation*
 - 20% of the dollar value of subcontracts for construction work
 - Minority and Women-Owned Business Enterprises (MWBEs)²
 - Provide outreach

- **Services Contracts**
 - NR businesses
 - 20% of the dollar value of service contracts
 - MWBEs
 - Provide outreach



(2) A business that is at least 51% owned by one or more individuals who are African American, Hispanic American, Native American, Asian-Pacific American or Asian-Indian American, or female; and whose management and daily business operations are controlled by one or more of these owners.

Anchin Process

- Conducted introductory presentations with all developers
- Set up Huddle accounts for receipt of annual reports
- Completed an initial review of the reports
- Followed up with those who were missing information
- Developed analysis spreadsheet
 - Worker count, hours and percent complete
 - Project start date, completion date and certification tracking

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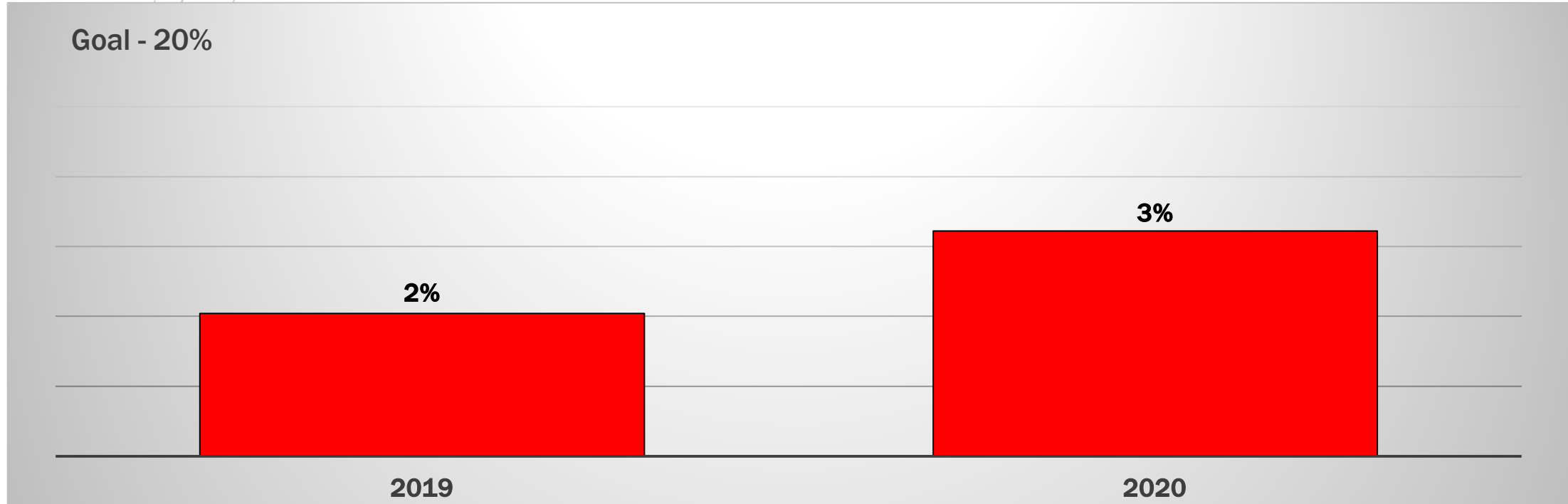
Overview

- The City provided Anchin with a list of 38 total project sites. Of those sites:
 - Pre-construction – 17
 - Under Construction – 10
 - Completed – 11
- We received annual reports for 35 total job sites
- Of those, 16 sites were in the pre-construction phase, 10 were under construction and 9 were completed
- Anchin performed a review of all annual reports received and analyzed the data provided for those with workers on-site

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Results – Targeted Workers On-Site (Hours) – Individual Hiring



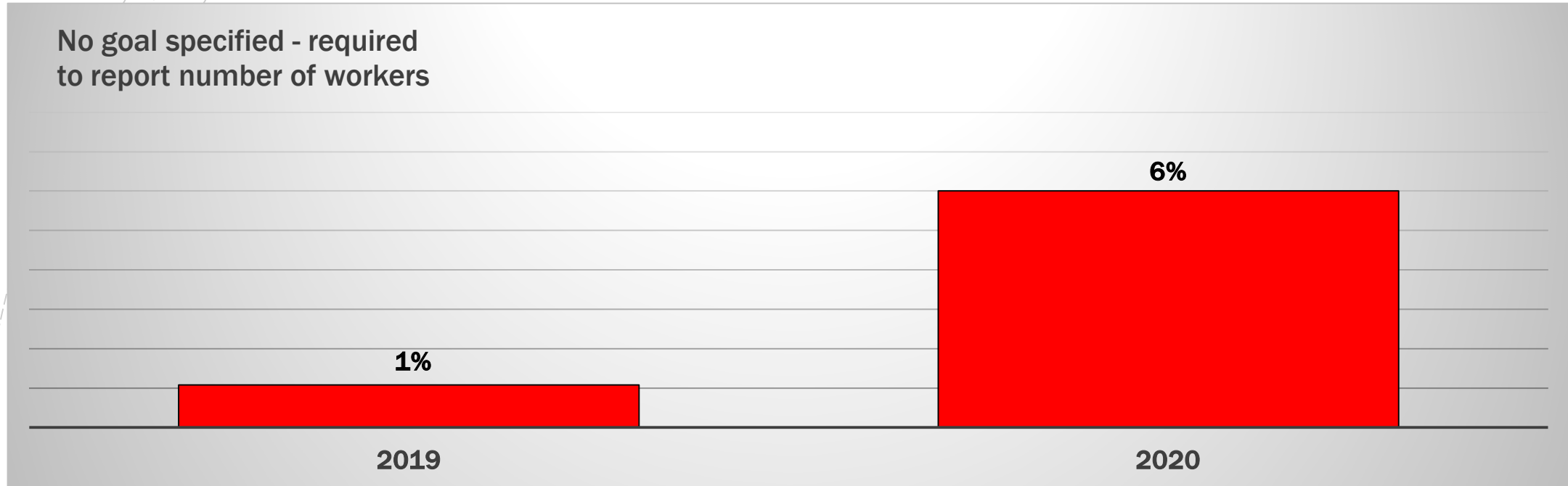
- Totals for Downtown Overlay Zone (DOZ) :
 - 2019
 - Total hours – 447,439
 - Total targeted workers hours – 9,133

- 2020
 - Total hours – 766,280
 - Total targeted workers hours – 24,658



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Results – Other NR Residents On-Site (Count) – Individual Hiring

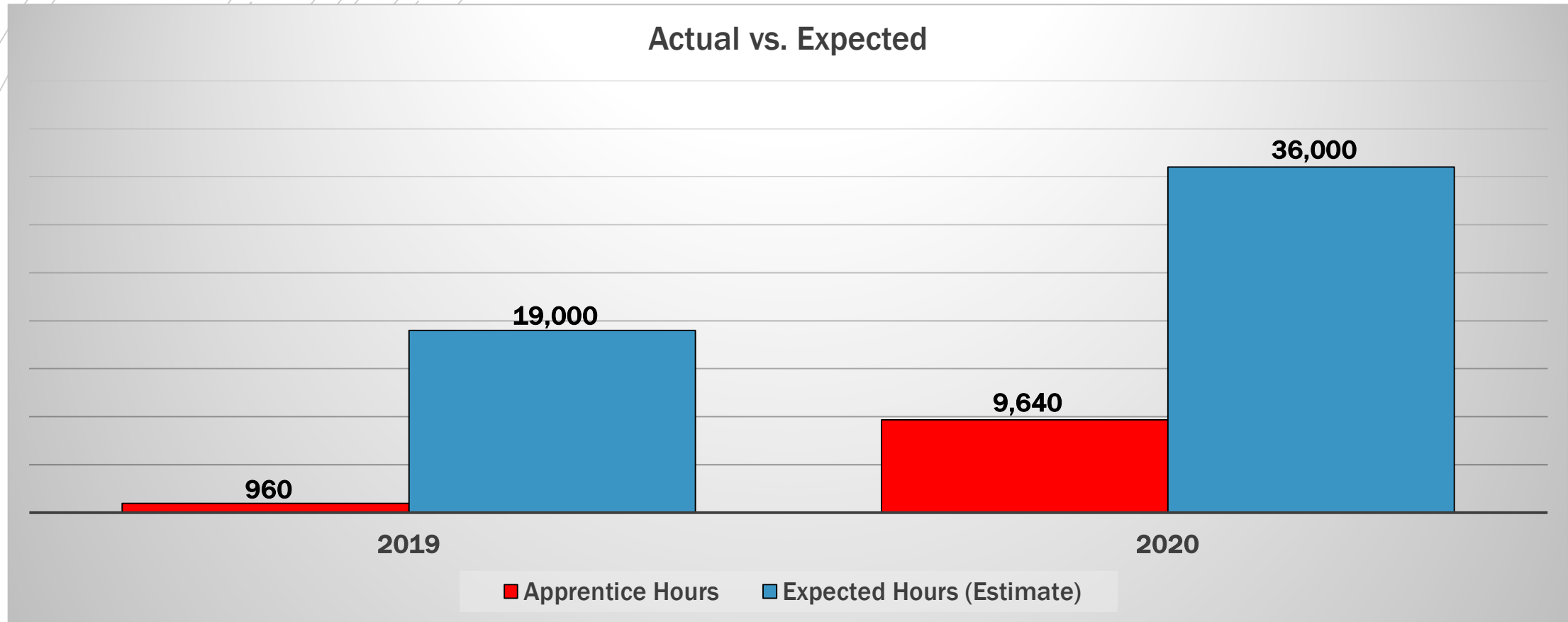


- Totals for DOZ:
 - 2019
 - Total workers – 6,024
 - Total other NR residents - 65
 - 2020
 - Total workers – 1,749
 - Total other NR residents – 105



Results – Apprentices

Actual vs. Expected



Goal: 1,000 hours for every 20,000 construction hours

- Totals for DOZ:

- 2019

- Total hours – 408,835

- 2020

- Total hours – 711,134



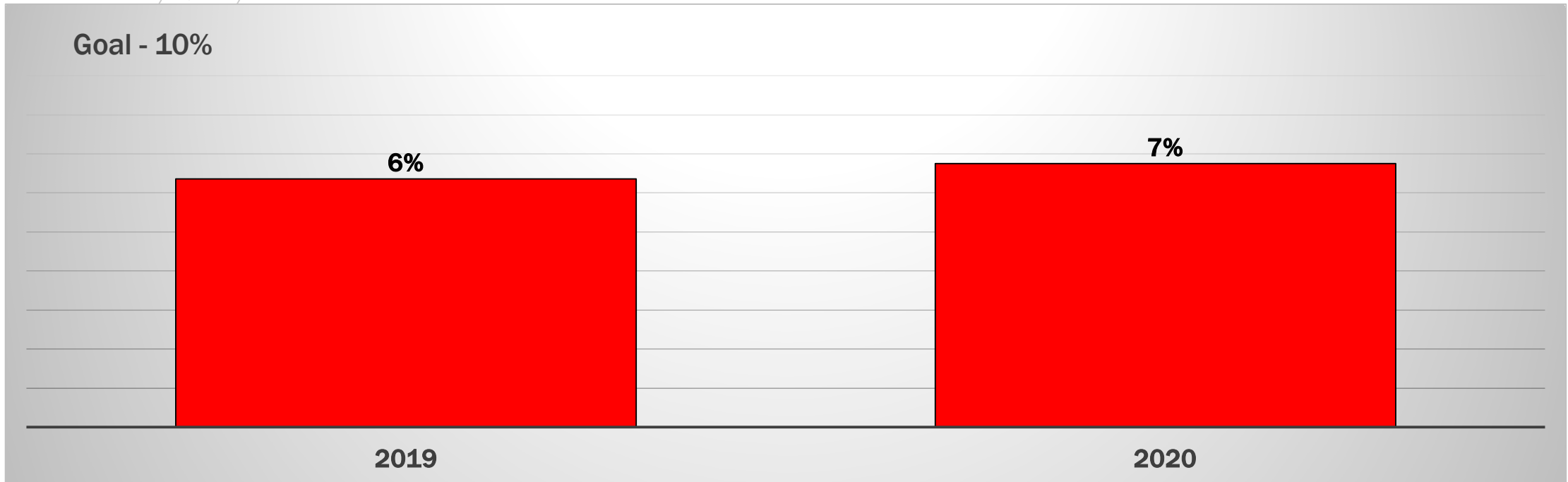
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Results – Targeted Workers and Other NR Residents On-Site (Count) – Non-construction

- 2020 Annual Reporting
 - Targeted Workers (count) – 25% goal
 - Total workers – 175
 - Total targeted workers – 4
 - Percentage of targeted workers on-site – 2%
 - Other NR Residents (count) – no goal specified. The developers are required to report the number of other NR residents on-site.
 - Total workers – 175
 - Total other NR residents – 23
 - Percentage of other NR residents on-site – 13%



Results – Prime Contracts Awarded to NR Businesses (Developer Obligation)



- Totals for DOZ:

- 2019

- Total contracts - 173
 - Total contracts to NR businesses - 11

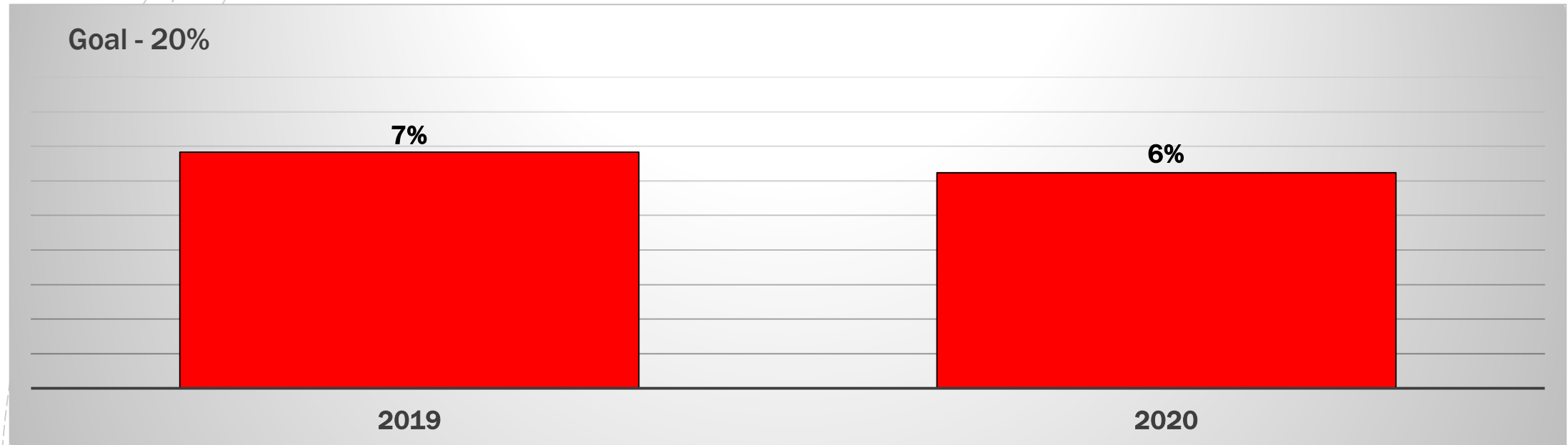
- 2020

- Total contracts - 163
 - Total contracts to NR businesses - 11



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Results – Dollar Value of Contracts Awarded to NR Businesses (Prime Obligation)

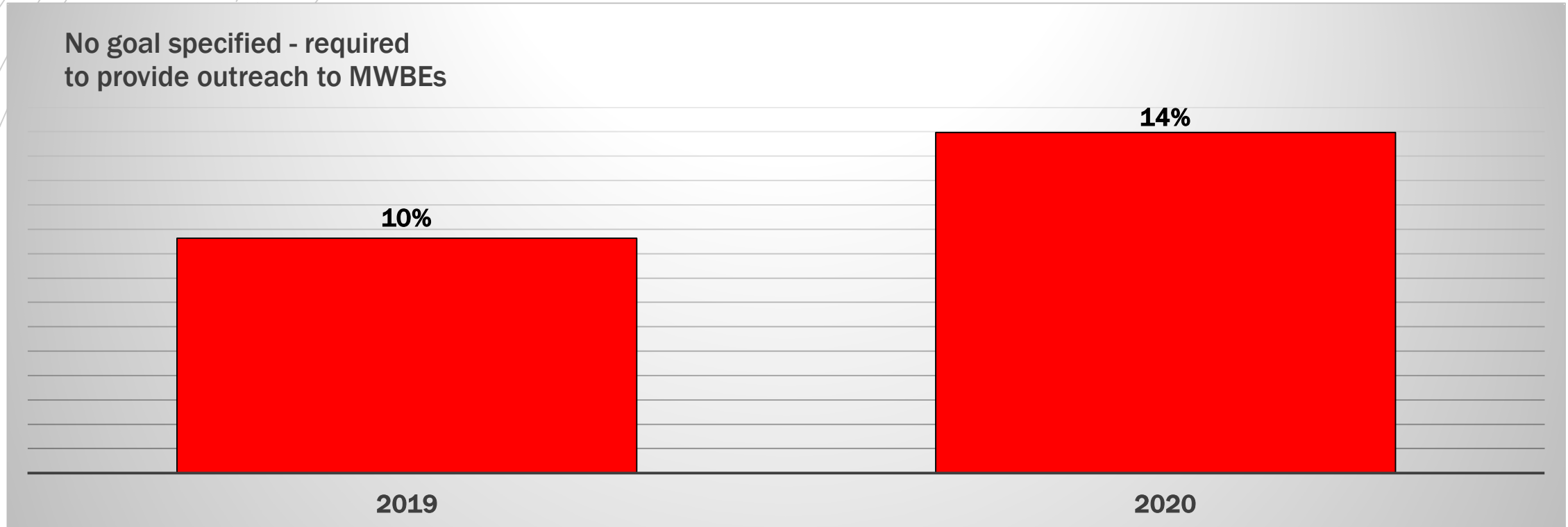


- Totals for DOZ:
 - 2019
 - Total dollar value - \$255,448,943
 - Total dollar value to NR businesses - \$17,442,043
 - 2020
 - Total dollar value - \$347,306,728
 - Total dollar value to NR businesses - \$21,623,314



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Results – MWBEs (Construction Contracts)

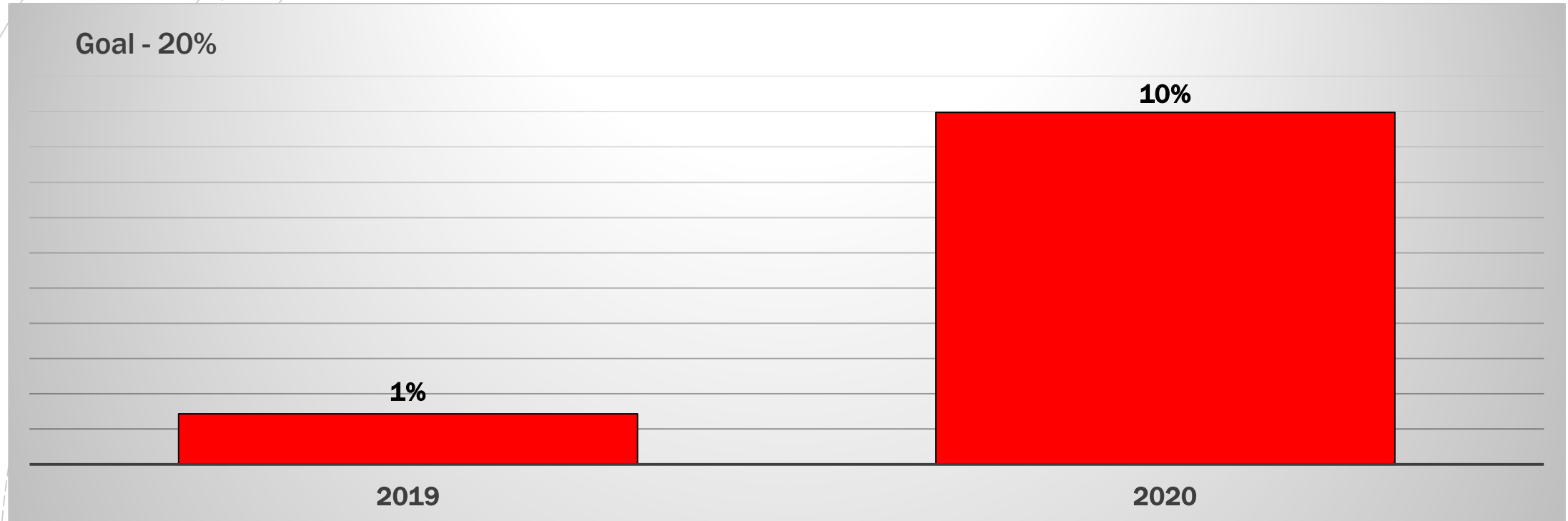


- Totals for DOZ:
 - 2019
 - Total contracts - 280
 - Total contracts to MWBEs - 27
 - 2020
 - Total contracts - 365
 - Total contracts to MWBEs - 51



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Results – NR Businesses - Services Contracts

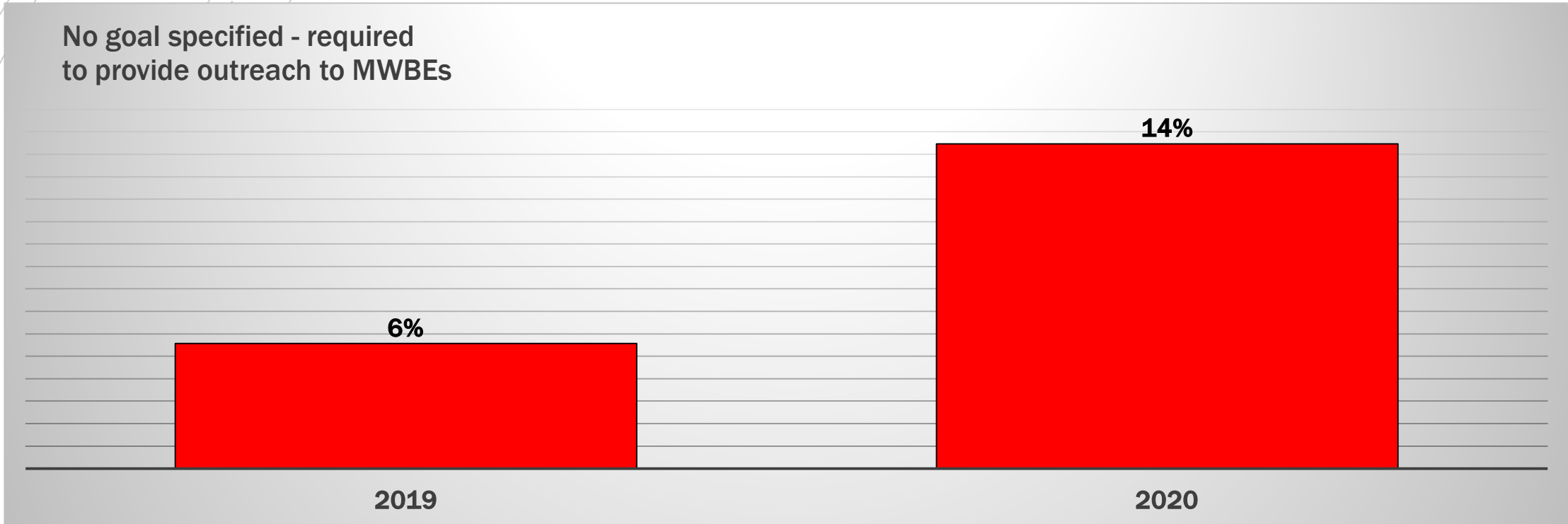


- Totals for DOZ:
 - 2019
 - Total dollar value of services contracts - \$524,500
 - Total dollar value of services contracts to NR businesses - \$7,521
 - 2020
 - Total dollar value of services contracts - \$4,938,611
 - Total dollar value of services contracts to NR businesses - \$493,071

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Results – MWBEs (Services Contracts)



- Totals for DOZ:
 - 2019
 - Total contracts - 18
 - Total contracts to MWBEs - 1
 - 2020
 - Total contracts - 76
 - Total contracts to MWBEs - 11



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Recommendations

Continue to:

- Increase awareness of the policy to the developers
- Drive the importance of compliance and good faith efforts
- Provide clarity regarding the developers' obligations under the policy
- Work with the developers that are falling short of compliance goals
- Use the Anchin/First Source Referral Center informational package as a resource for developers
- Communicate the importance of accurate numbers and completeness of reports

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Recommendations

In the future, Anchin recommends that the City:

- Conduct mandatory training sessions for the developers to ensure that they are aware of the proper reporting techniques
- Annually review the list of City of NR businesses
 - Create an online database for the developers reference. This database should be searchable and available to the public
 - Include North American Industry Classification System (NAICS) codes
 - Note self-identifying MWBEs

Recommendations

- Encourage construction companies to register as MWBEs
- Annually review good faith efforts
- Edit the Policy to ensure clarity and compliance to the reporting requirements
 - Define services vs. non-construction
 - Clarify what is meant by “New Apprentices” or remove “New” to avoid confusion
 - Explain that MWBEs do not need to be state certified
 - Note that there are no specific wage requirements or wage reporting requirements
 - Define certified payroll
 - Add due dates for Quarterly and Annual Reporting

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Questions



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