



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
SCOTT M. STRINGER

**NEW YORK CITY COMPTROLLER SCOTT M. STRINGER**

**REMARKS AS PREPARED  
ASSOCIATION FOR A BETTER NEW YORK**

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Good morning, thank you for having me. Thank you, Bill, for that kind introduction.

I'd like to start by introducing my wife, Elyse Buxbaum, who's here with us today.

Yes, we got both kids dressed and out the door this morning, so we are both happy to be here – and we are on time!

I want to take a moment to thank law enforcement, for their rapid response to the Chelsea explosion this past weekend.

I'd also like to commend Police Commissioner O'Neill for his leadership, in his trying first days on the job.

Moments like this remind us that when we are faced with a crisis, New Yorkers come together to find strength and move forward.

That's what we did after 9/11, after Hurricane Sandy, and it's what we always do to persevere.

In some ways, there is no better example of that spirit than ABNY, which began in the 1970's to confront a different kind of crisis – a fiscal one.

Many of us remember that time, when the City was verging on the edge of bankruptcy.

I was a kid, growing up in Washington Heights.

I still remember the night of the 1977 Blackout, looking out on a dark city, trying to get home with no light and no direction. At 17, I thought ‘this city is completely out of control.’

But what I could not know then, was that our leaders were already coming together, from business, labor and government, with Lew Rudin and ABNY at the forefront.

They were stepping up, to get our City back on track. To help rebuild the very foundation of New York’s fiscal structure.

Today, we have a comprehensive budgeting process, and a four-year financial plan to ensure that we look far enough ahead to maintain a balanced budget.

These reforms instilled not only a greater appreciation for New York’s unwavering resilience, but also an understanding that we, as a City, must regularly take stock of where we are, and where we need to go.

Today, New York City is on solid ground, thanks, in large part, to the people in this room.

Our economy has seen seven straight years of growth since the Great Recession.

We’ve added nearly 550,000 private sector jobs, and a higher percentage of our population is employed than ever before.

So City revenues are up, and we’re attracting more investment than almost any other city in America.

One result – our technology community is booming. Tech jobs have soared 57% in New York since 2007.

And financial services continue to pay more than 20% of all private sector wages.

Make no mistake – a lot of people are better off because of this growth. But it’s just not true for all New Yorkers.

Some people I talk to across the City would never know we’re in a recovery. And that’s something I want to talk about this morning.

Take our next generation. Today they’re facing an uphill battle. We call them the Millennials, but really, these are our children.

They are the sons and daughters of parents who saved and sacrificed to get them through school.

And now, they are coming of age in a city that pays less, and costs more, than it did for any of us.

The reality is, more than half of all the jobs we've added since 2009 are low wage.

So even though they're the most educated generation we've seen, 47% of New York City's Millennials wind up working in retail or fast food.

The result – today's young people are actually earning 20 percent less than their counterparts did in 2000.

For the first time in recent history, we are witnessing a new generation that is actually worse off economically than their parents were.

But it's not just our young people who are getting the short end of the stick.

Wages for the majority of new jobs have not kept up with inflation.

In fact, our low-income New Yorkers are making no more today than they did seven years ago.

This is happening during a time when everyone should be gaining ground.

Instead, we still see significant wage gaps among our workers.

These gaps are often rooted in a legacy of unequal access and differences – in education, training, work experience.

But they are a fact of life for too many New Yorkers.

Women continue to make 81 cents for every dollar a man makes.

African-Americans earn 77 cents for every dollar earned by White workers.

And for Latinos, that number is a dismal 72 cents.

We cannot hide these inequities in the shadows of our progress.

We cannot settle for a City where aspiration is limited by what you look like, how old you are, or where you come from.

We must aspire to be a City where everyone has an opportunity to succeed.

And understand that we will only reach our common goals when all of our people have the chance to move forward.

So if you live in the East Village, you should be rooting for that new restaurant in the Bronx.

And if you live in Park Slope, you may not realize it, but you have a stake in that tech start-up in Harlem.

When opportunities reach every corner of the City, it's good for everyone.

When more people are able to purchase a new sofa, buy an extra bag of groceries, or take the family out to dinner, our business owners, including many of you, do better.

So you can hire more employees, or increase wages, and eventually, those workers can build their own savings, buy a home, or send their kid to college.

This is how we grow our economy. By investing in our communities from the ground-up.

And we cannot wait another day to get to work.

Because as strong as our recovery has been, there are signs of a slowdown on the horizon.

Our job growth slowed significantly last quarter, and our personal income tax collections were down more than 5 percent year-over-year.

That's why right now, we have to pick up some speed, and move forward at a pace of change that matches the scale of our ambitions.

No challenge is more immediate than today's affordable housing crisis.

The fact is, our homeless population is hovering near record levels. 60,000 New Yorkers will sleep in a shelter tonight – almost half of them are children.

Part of the reason is, from 2000 to 2012, we lost more than 400,000 apartments that used to rent for under \$1,000 a month, the waitlist for NYCHA has 260,000 names.

Every one of our communities is losing affordability, right before our eyes.

For the generation who made this City great, that means being priced out of the neighborhoods that they helped build.

For new immigrants, it means fewer footholds in the City of their dreams.

And for young people, it's the difference between coming here or heading to Austin or even Pittsburgh, where you can find a cheap apartment.

Now, the Mayor and the City Council have added some tools to increase affordability.

They created zoning to mandate affordable housing in certain neighborhoods, and made it easier to construct senior housing around the City.

But it's not enough to solve a challenge of this magnitude. It's just not.

Our housing crisis demands more urgency and new ideas right now.

That's why I am proposing the creation of a New York City Land Bank.

In a recent audit, my office found the City owns more than 1,100 vacant lots across the five boroughs.

Most have been vacant for decades. 744 of them have gone untouched for more than 30 years, sitting empty, attracting weeds and garbage.

But here's the thing: the City of New York controls these properties, and we can start using many of them to build affordable housing, now.

In fact, my office estimates we could add up to 57,000 units of permanent low-income housing on this land.

Now, a Land Bank has the power to acquire vacant and tax-delinquent properties.

A Land Trust holds onto property, and can convert it into permanent affordable housing.

My proposal combines these two models, and creates a more powerful tool than either one standing alone.

The City would partner with non-profit community-based organizations to build 100 percent, permanent affordable housing.

Since we already own the land, there are no investors to pay back, so we can use those savings to drive down rents.

Attorney General Schneiderman has already helped to seed more than a dozen land banks around the state, with money he recovered from lenders involved in the housing crash.

He just announced a new round of funding last month.

But right now, the City of New York is missing out on those dollars and that focus, because we have yet to establish our own land bank.

This model is our ticket to transforming our abandoned spaces, and finally using it to house our most vulnerable citizens.

A land bank would get New Yorkers off the waiting lists, off the streets, and out of our homeless shelters.

Over the past year, I've gone with Commissioner Steve Banks to visit shelters in this City, and he always reminds me, 30% of folks living in family shelters actually have a job.

All they need to get back on their feet is access to affordable apartments.

Ones that will stay affordable, permanently – not just for ten or twenty years.

We've faced this challenge before. In the 1930's, during the Great Depression, Mayor LaGuardia built the first government-funded housing project in the country.

And NYCHA grew to house 400,000 New Yorkers in permanently affordable apartments.

Then, in the 1950's, the State built Mitchell-Lama Housing to meet the needs of our growing middle class.

Those developments are still a critical piece of our affordable housing landscape today.

It shows you just how much we can accomplish, when we have the vision to see solutions where you may not expect.

And, even more important, the will and strategic planning to see them through. We need more of that today.

But we cannot get this done without partnering with our local communities.

Skylines change. They should, and they must, but here in New York, people worry if affordable housing in their neighborhoods will be affordable for them.

They wonder if development will bring gentrification and push them out.

That's why we have to do the real, hard work of engaging community leaders in Inwood, or Jerome Avenue in the Bronx, on Bay Street in Staten Island, in all of our neighborhoods, to find a solution that works for everyone.

You cannot just show up in a community and expect people to go along with a one-size-fits-all plan.

That's not New York. It doesn't work that way, it never has.

We faced this challenge with re-zonings when I was Manhattan Borough President.

Four university expansions came through my office in eight years, each of them challenging, and contentious, in their own ways.

But we did not run from that opportunity. Instead, we leaned in, we rolled up our sleeves, and we worked with stakeholders to find the best path forward.

Because they are the ones who made their neighborhoods so desirable in the first place.

And having their input led to stronger outcomes for everyone.

That is the only way we can build the next generation of affordable housing.

But it's not only about respecting the history and character of our neighborhoods.

In order to move forward, and strengthen our economy, we have to better support our 200,000 small business owners.

That includes giving our women and minority-owned firms more opportunities to create wealth in their communities.

Namely, by helping them compete for, and win, City contracts.

Because when we invest in our small businesses, they invest in their neighborhoods, and our entire economy gets stronger.

But today, the City is only spending a fraction of what it should be with these businesses.

Just last year, New York City spent a total of \$14 billion on goods and services, on everything from accounting firms to office supplies to major construction projects.

But only 5.3 percent of that spending went to certified minority and women-owned businesses.

And worse, less than 2 percent went to firms owned by African-Americans and Latinos.

Yet these companies could be critical wealth creators across the five boroughs.

Take Andrew Simmons, the President of LA-SHAY Construction, who is here with us today.

For years, Andrew worked on City construction projects, but always as a subcontractor.

Then, he enrolled in the MTA's program for minority and women-owned businesses, and gained new access to capital, and mentorship throughout the contracting process.

The result – in 2010, Andrew won his first prime contract.

And today, his company is winning bigger and bigger contracts to repair subway stations in Brooklyn.

With that investment, Andrew's has grown from a small company with five employees to a full time staff of more than 30, not counting the dozens of subs he hires for each project.

And when Andrew does staff up to tackle a big job, he does it by hiring other MWBE firms.

He's not the only one. Studies show that minority business owners are five times more likely to hire minority workers than white-owned businesses.

This is how lifting up a local company can strengthen an entire community.

And yet, the City is inching along with our MWBE investment, year after year.

We have to do better across the board.

I know this because each year, I put out a report grading agencies on how well they engage minority and women-owned firms. And every year, the City gets a D.

It's a disgrace. The goal must increase.

Now, I could tell you it should be 30 percent or 35 percent. But the point is, at the rate we're going, we won't see real change for another 20 years.

The City has to make more progress, now.

Here's where we should start.

First, the City needs to partner with community-based banks and insurance companies to provide more loans, surety bonds, and lines of credit to small businesses.

For too long, minority-owned firms and other small businesses have been kept on the sidelines by lenders who don't want to give them the time of day.

But getting that first loan is what gets firms into the game, and lets them hire the staff and buy the equipment they need to compete.

Second, City agencies have to pay their bills on time, every time.

Many small businesses wait weeks, or even months, to get paid by the City. But there is no excuse for that delay.

Today, there are multiple models out there to speed payment along.



The State, for example, partners with banks to bypass bureaucracy, so that small businesses get the cash flow to pay their workers, purchase equipment and keep moving forward.

And third, we need a real mentorship program.

Not just a pamphlet on the do's and don'ts of contracting, but a comprehensive program that supports our businesses as they grow, every step of the way.

So they have the structure and resources they need to compete for major contracts.

We need to implement this three-point plan in a way that is comprehensive and coordinated across all City agencies.

And we need to do it now.

Because here's the deal. Our City has always made investments to help our business community get ahead.

Whether it was 421-A or J-51 for the real estate sector, or property tax exemptions for major companies that threaten to skip town.

But we have never done anything like this for our small businesses.

Enacting this plan can be that critical investment.

And if it sounds out of reach, consider this – the MTA is already using this comprehensive approach, under its Chief Diversity Officer, Michael Garner, who is here with us today.

It's working. More than 20 percent of the agency's massive capital plan is now flowing to minority and women business owners.

And it's actually saving taxpayer dollars. Because the bids that come in from small businesses are often lower than what the agency budgeted.

And that is good news for all of us.

Now, the future of our economy also depends on the financial standing of our most vulnerable citizens.

Today, in the richest city in America, 20 percent of our people are living below the poverty line.

In some neighborhoods, like Mott Haven and Hunts Point, it's more like 40 percent.

According to a study by Columbia University and the Robin Hood Foundation, this year, more than 6 in 10 City households will have a hard time covering rent, coping with poor health, or putting food on the table.

That's more than 4 million New Yorkers who will go to sleep tonight, hoping for some kind of miracle to stay afloat.

But right now, we have some strong tools in our arsenal to help these families.

More than 30,000 non-profits work every day to combat poverty.

They are on the front lines, supporting our neighborhoods in greatest need.

But the City can do more to support their work, by increasing our contribution to the Earned Income Tax Credit.

The EITC is the most effective anti-poverty program in America.

It's a federal program that gives a refundable tax credit to low-income workers.

The State matches 30 percent of the credit, and the City kicks in another 5 percent.

Last year, the EITC put \$2.8 billion back in the pockets of almost one million hard-working New Yorkers, and pulled 150,000 of our households out of poverty.

That is real change for working people.

And that's why today, I am calling on the City to triple, yes triple, its contribution to the EITC.

Because this program is getting results.

Democrats and Republicans have agreed on that for decades.

For about one quarter of one percent of the City budget, we can provide a brighter future for one million children and help over two million New Yorkers get ahead.

By tripling our input, the City could add more than \$200 million directly back into our local economy, and that would help all of our businesses, all of our neighborhoods, and most importantly, all of our families.

We cannot talk about adding jobs and opportunities to our economy without acknowledging our single greatest resource, our 1.1 million school children.

We have to prepare our kids to compete in today's high-tech, global economy, and that means preparing every student for college or a career.

But today, we have a long way to go.

Take a look at our high school graduation rate. This year it cracked 70 percent for the first time, and that is a great credit to all of our exceptional teachers and principals.

My mother was one of them, so I know firsthand just how hard they work for our kids.

But when you take a closer look at today's graduation rates, you can see they are actually going down at more than one quarter of our high schools.

These are schools where 4 out of 5 students are African-American or Latino, and more than 70% live at, or near, the poverty line.

On top of that, even when our kids do graduate, more than half of them are not ready for college or a career.

Now, we could talk about how to fix our schools for days, and maybe we should, but talk isn't enough.

Today, I want to offer two proposals that we can get to work on immediately.

First, we need to build a strong computer science foundation in our classrooms.

Last September, the Mayor launched the Computer Science for All initiative.

It's a terrific idea, but the program is not planned to reach all City students until the year 2025, ten years after it launched.

Ten years ago this little gadget here – this iPhone – did not exist.

And 10 years from now, who knows where we'll be.

We may all have the iPhone 99, that walks our kids to school in the morning and does the dishes at night.

The point is, we need to be teaching our kids not just how to use technology, but how to leverage it to achieve their dreams.

And today, we are way behind.

Chicago is making introductory computer science a requirement in every district high school within three years.

San Francisco is partnering with private sector groups to develop computer science curriculums, and plans to teach it as young as pre-school.

I have two pre-schoolers at home who teach me how to use this stuff.

It's time for New York City to catch up.

And here's how we can make it happen.

One – we need to recognize computer science as a formal discipline for teachers – which unbelievably, New York does not do today.

We can do that by creating a new state Computer Science certification, or by creating an extension that allows teachers in other subjects to get trained in computer skills.

Two – we need to guarantee jobs for teachers who get trained. That's how we will advance the 4,800 teachers we need to teach computer science.

And three – we need to work with the tech industry and philanthropy partners to develop a fellowship for our current teachers.

We need a training program to provide classroom-based tech skills, plus mentorship from tech company employees.

And once our teachers are through the program, we must provide continuing education on such a fast-changing field.

We need to find the funding to make this happen without cutting corners from other critical courses.

Because at the end of the day, if we empower and support our teachers, they will do the same for our kids.

Here's what else will prepare our students for the 21st century – more Early College High Schools.

These are high schools, often affiliated with CUNY, that allow students to earn college credits.

Most importantly, they set the expectation – from day one – that each student is going to college.

And setting that expectation gets real results.

88 percent of these students are graduating with high school degrees, and the vast majority with some college credits.

Now that is a graduation rate we can be proud of, that is a model that sets our children up for success, and that is why we need to open at least one Early College in every school district.

To get more of our students on a path toward success.

Because they are the kids who will fill this room one day. They will be the lawyers, the artists, and the CEOs who carry this City forward.

But the reality is, we are working on an opportunity deadline.

You see, if we do not combat the economic challenges plaguing our communities today, we are guaranteed to lose another generation tomorrow.

To poverty, to low-wage jobs, or to more affordable cities around the world.

Because make no mistake – this is a competition.

Cities, big and small, are fighting to attract the best and the brightest.

Hong Kong, Amsterdam, Los Angeles, you name it.

But I am here to tell you, the city that wins that race will be the one that grows an economy for all of its people. And us New Yorkers, we like to win.

We must compete with the focus and urgency we need to make real fundamental change.

Whether we move forward with an idea laid out here today, or with one we have not yet heard, we cannot assume strategies to add jobs, build affordable housing, or improve our schools will implement themselves.

We need engaged leadership to get the job done, and a commitment from everyone here today to work together on the agenda at hand.

Because when we all come to the same table, as we always have here at ABNY, we will accomplish our goals, and every one of us will benefit.

From community boards to corporate boards, we must stand together, to build a vision for our City that will make New York a better home for all of us.

That is how we will leave New York City better than we found it, for my kids, for your kids, and for all the kids we will never know, in every neighborhood across this City.

Thank you.