

# Tompkins County Industrial Development Agency

---

Administration provided by Ithaca Area Economic Development

## Construction Labor Committee Meeting 10/20/20 - Via Zoom

Committee Members: Anne Koreman, Martha Robertson, Tim Logue (City of Ithaca), Marcus Williams (Pipefitters Union Rep), Kurt Anderson and Heather McDaniel (TCAD staff)

Excused: Jennifer Tavares

1. Kurt gave a quick recap of the Organic Nature/Greenstar and City Centre project data and presented a portion of the Harold's Square project data followed by data specific to the plumbing trades, along with Department of Labor data on workforce availability and employment by trade and locality (Tompkins County, adjoining counties, and area counties), income by trade and location, and unemployment by trade and location

Key takeaways from the Organic Nature project:

- Project investor also a general contractor on this project
- Local labor approx. 67%
- Local contractors used more local labor
- Avg. wages approx. \$25/hour (+\$10 local vs. non-local)
- Carpenters: approx. 75% local, wages > hours

Key takeaways from the City Center project:

- 4X size of Greenstar
- Local labor approx. 33%
- Avg. wages approx. \$28/hour (+\$10/hour local vs. non-local)
- Carpenters: approx. 67% local, wages approx. \$60/hour

Key takeaways from the Harold's Square project:

- Local labor approx. 67% (likely high due to analysis of only 1/2 of construction data)
- Area contractors still use local labor
- Avg. wages approx. \$25/hour (+\$10/hour local vs. non-local)

Key takeaways from plumbers, pipefitters, and steamfitters trades:

- Low/no local labor (Organic Nature, LLC and City Centre)
- Local labor/hours/wages approx. 67% (Harold's Square)
- Wages +\$20/hour local vs. non-local (Harold's Square)

Key takeaways from labor availability and employment data tables:

- IDA-local (i.e. Tompkins and 6 contiguous) employment = more carpenters (857) than electricians and pipefitters combined (789)
- Area county employment (i.e. Broome, Onondaga, Steuben) exceeds IDA-local
- More tradespeople reside in IDA-local than are employed there; fewer tradespeople reside in area counties than are employed there
- More tradespeople reside in all IDA-local counties than are employed there, except Tompkins County

Key takeaways from average income by trade and locality data tables:

- Average wages are higher for electricians
- Average wages in Tompkins and IDA-local comparable to area counties (Broome/Onondaga)

Key takeaways from unemployment data tables:

- In IDA-local counties, carpenters (9.7%) highest unemployment rate among trades
- Electricians (6.4%) and pipefitters (7.5%) less than Ithaca MSA (8.9%)
- Unemployment rate in Tompkins & IDA-local comparable to area counties

## 2. Discussion Points

- Local subcontractors often don't bid on the larger jobs for a variety of reasons. It would be interesting to learn why they don't bid. Some suggestions included: prefer working with general contractors they have good relationships with, few local subs have capacity to bid on larger jobs, local firms have enough work and not interested in growing their firms more, inability to carry 60-120 day payment terms from general contractors like larger firms can.
- It was noted that union contractors hire local, regardless of where they are located.
- Increasing local subcontractor access to the bid process is really important
- A 30% or 35% requirement seems like a good place to start with a requirement.

## 3. Next Steps

- Calculate remainder of Harold's Square data (first half of construction)
- Interview local developers about their experience finding local subcontractors
- Look at other IDA policies and their local labor catchment areas
- Clarify Department of Labor data – where they live vs. where they get their paycheck