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NEW YORK
STATE
SENATE



SENATOR DAPHNE JORDAN
43RD SENATE DISTRICT

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April 24, 2020

The Honorable Andrew M. Cuomo
Governor of New York State
State Capitol Building
Albany, NY 12224

Dear Governor Cuomo:

We write on behalf of the many builders, remodelers, contractors, and construction companies that have contacted our offices requesting that Empire State Development (ESD) consider residential construction an essential business and make this sector among the first industries to re-open as soon as feasible.

The residential building and remodeling industry remain uniquely positioned to implement social distancing protocols. These vital sectors quickly instituted stringent safety protocols recommended by the National Association of Home Builders (NAHB). There also are important, noteworthy distinctions between Capital Region (upstate) construction sites and those in New York City. Workers in the former locales are most often in open spaces. On many Capital Region (upstate) residential sites, no more than one or two trades operate at one time, and workers typically do not utilize elevators, share tools, or travel in large groups. We also share concerns posited by many in the residential construction sector questioning why if building affordable housing is presently safe to pursue, then why not other housing and construction? This question deserves an answer.

Furthermore, extensive loans taken out for building projects typically have significant interest payments which serve as an incentive to finish projects expeditiously to pay-off the loan. The present hold-up in moving ahead with residential construction projects in New York State is raising these costs significantly as the maxim “time is money” is especially true in the residential construction sector where projects are time-sensitive.

According to NAHB, if the residential construction industry cannot resume working in May – which is one week away – the direct effect of eliminating housing starts entirely for two months would result in the following serious negative economic outcomes in the residential construction sector:

- \$450.5 million reduction in wages and salaries paid to workers;
- \$247 million reduction in income for small business owners in the residential construction sector; and
- 8,541 jobs lost.

Furthermore, NAHB’s Local impact of Home Building Model estimates the “ripple effects” (ancillary businesses and industry sectors affected) associated with eliminating housing starts in April and May also would include the following impacts for our state:

- \$349.1 million reduction in wages and salaries paid to workers;
- \$84.7 million reduction in income for small business owners; and
- 7,058 jobs lost.

With our state weathering unprecedented economic challenges, many small businesses at risk of permanently going out of business, and over a million New Yorkers filing for unemployment, we face a devastating financial storm. It is imperative that ESD classifies residential construction an essential business and allows these companies to resume their productive operations as soon as feasible. Thank you for your consideration of our request.

Sincerely,



Daphne Jordan
State Senator, 43rd District



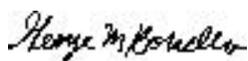
Patty Ritchie
State Senator, 48th District



Joseph Robach
State Senator, 56th District



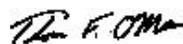
Pamela Helming
State Senator, 54th District



George Borrello
State Senator, 57th District



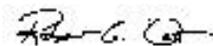
James Tedisco
State Senator, 49th District



Thomas O'Mara
State Senator, 58th District



Chris Jacobs
State Senator, 60th District



Robert Ort
State Senator, 62nd District



George Amedore
State Senator, 46th District