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## Prevailing wages threaten the remarkable renaissance Westchester has built | Opinion

*3-minute read*

**John Ravitz** Special to the USA TODAY Network

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### Key Points AI-assisted summary ⓘ

- Proposed legislation in Albany would mandate higher wages for private construction projects, potentially increasing costs and stalling development in Westchester County.
- The "Keep New York Building" coalition argues the bill would negatively impact the state economy, halt projects, and eliminate jobs.
- A Regional Planning Association report indicates Westchester County faces a significant housing shortage, with potential negative economic consequences if not addressed.
- Increased construction costs due to the proposed wage mandate could exacerbate the housing crisis and hinder development efforts.

State leaders are poised to make it even more expensive to do business in New York, and the consequences for Westchester County will be dire.

Albany lawmakers are currently considering a bill, A6708 / S6378, which would require private construction projects to pay much higher wages than the industry standard. These are called “prevailing wages” and are determined by the State Department of Labor.

### Prevailing wage increases could stall Westchester development

The new law would increase construction costs and stop projects from getting started in the first place, eliminating thousands of jobs in the process. We have had a front

row seat to see the transformative development of our county in recent years, as major projects have taken hold in every corner of Westchester. This legislation could put all that work in jeopardy. The idea that our leaders would consider making construction even more costly during a housing crisis that impacts not just Westchester but the entire region is particularly galling. This is a bad idea, and should be rejected out of hand.

Earlier this month, our organization joined with a coalition of business and civic leaders from across the state to create the “Keep New York Building” coalition. With more than 50 members from across the state, our message is clear: this bill, if passed, will devastate our state economy, grind new construction projects to a halt, and kill jobs (including union jobs) and new affordable housing.

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We have seen firsthand what happens when untenable wage mandates are passed in Westchester. When Yonkers instituted a wage mandate it led to a construction freeze in The City of Seven Hills. When the policy expired, construction boomed, with the Yonkers Industrial Development Agency approving \$851 million across a dozen projects the next year, making it the best construction year in the city’s history.

## **What happens if we pause on building in Westchester County?**

In May, the well-regarded Regional Planning Association issued a report that outlines the social and fiscal costs if we fail to build in Westchester.

The report found that Westchester County faces a housing shortfall of roughly 21,000 units, which could grow to up to 77,000 units by 2040 unless swift action is taken. The RPA also found that county vacancy rates have dropped to a historic low of 1.9 percent, and average rents have increased 46 percent from \$2,051 in 2015 to \$2,990 in 2025.

The data sends a clear message that Westchester urgently needs to build housing. The RPA report outlines the consequences if we do not. If Westchester County fails

to build those new units over the next 15 years it could cost the county between 8,400 and 12,000 annual jobs, approximately \$533 to \$742 million in annual earnings, and \$32 to \$57 billion in Gross Domestic Product.

Construction is already incredibly expensive in our region. Our land is some of the most expensive in the world, thanks to our proximity to New York City and access to the Metro North lines critical to commuters. Making construction projects even more costly is not going to get those units built, nor save the jobs and economic activity that are at risk through inaction.

Our coalition is not against construction workers earning a good living and being able to support their families through a hard day's work. Our members have made a good faith effort to work with labor on important projects, and will continue to do so in the future. But we are not going to be able to create those jobs if Albany imposes even higher costs on new construction projects, especially much-needed new homes for the Westchester residents of the future.

Albany leaders must pull back from this prevailing wage mandate. Instead, let's keep the shovels in the ground and the cranes in the air, and focus on policies that encourage growth in Westchester County and across the state.

*John Ravitz is the executive vice president and CEO at The Business Council of Westchester.*