



WESTERN STATES REGIONAL COUNCIL OF CARPENTERS

Representing Carpenters in Southern California, Nevada, Arizona, Utah, New Mexico, Colorado, Idaho, Montana, Wyoming, and Alaska

Jacob Lopez
President

Favian Guillen
Executive Secretary-Treasurer

Doug Hicks
Vice President



July 8, 2026

Los Angeles City Council
200 N. Spring Street
Los Angeles, CA 90012

Dear Councilmembers,

I write on behalf of the 60,000 members of the Western States Regional Council of Carpenters and unrepresented residential construction workers in the city of Los Angeles who face daily workplace abuse.

We note the announcement last week of 512 units of affordable housing at the World Trade Center, benefitted by the city's adaptive reuse ordinance and rules. We applaud increases in affordable housing, because all types of housing are desperately needed to address the affordability crisis in our city.

What we do not applaud, however, is the pattern of abusive and illegal labor practices undertaken by the family that owns the World Trade Center - Dr. David Lee and his family. Dr. Lee's son Phillip is featured alongside Mayor Bass in her media release highlighting her visit there in May. The Lees own some 18,000,000 square feet of property in the Los Angeles area. As such, they have vast resources at their disposal and continue to have a broad economic impact on our city.

Much of their wealth appears to derive from a business model that relies on unlicensed contractors who use labor brokers to pay workers illegally under the table in cash. This means many workers have no workers' comp, no benefits, are shorted on overtime, and don't receive a paycheck stub, which they need to qualify for the same affordable housing the Lees celebrate. We have numerous worker interviews on video and other documentation that show these practices in operation at properties owned by the Lees.

When wealthy developers and contractors flout the law, they deprive the city of critical tax revenue. They also place an added burden on taxpayers by forcing a largely unprotected and exploited, mostly Latino, workforce to rely on subsidies to feed their families and public assistance for healthcare, which they usually seek only in emergencies.

The lack of labor standards in the adaptive reuse ordinance is what allows this to happen. Surely the City Council did not intend to further enrich the Lee family and others like them by aiding and abetting scofflaws who have no regard for their workers. Surely the City Council did not intend to create a class of workers who can't qualify for the very affordable housing they are building because they are paid under the table – who potentially can't qualify for a lease anywhere because they cannot demonstrate income. That is why we need **the residential construction minimum wage, requiring developers of multifamily housing to pay a reasonable wage with a right of private action to enforce that wage.**

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We ask that you adopt the residential construction minimum wage immediately upon receipt of the study recommendations, direct the Bureau of Contract Administration and the City Attorney to investigate these practices, and ensure that the entire city family takes steps to prevent projects that do not meet legal labor standards from receiving public subsidies, including adaptive reuse benefits.

We stand ready to provide additional information and collaborate with the government of Los Angeles to improve conditions for construction workers and thereby our entire city.

Sincerely,

Favian Guillen

Executive Secretary-Treasurer

Western States Regional Council of Carpenters

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