

## OFFICE OF THE DEPUTY MAYOR FOR ECONOMIC JUSTICE

### Notice of Public Hearing and Opportunity to Comment on Proposed Rules

**What are we proposing?** Pursuant to Sections 1043 and 1309 of the New York City Charter and Executive Order No. 2 (2026), the Office of the Deputy Mayor for Economic Justice proposes to add a new Chapter 24 to Title 43 the Rules of the City of New York to establish rules governing the Centralized Construction Mentor Program (“CCMP”). These proposed rules define eligibility criteria, application procedures, program operations, and administrative oversight requirements for the CCMP.

**When and where is the hearing?** The Office of the Deputy Mayor for Economic Justice will hold a public hearing on the proposed rules. The public hearing will take place at 11:00 am on April 29, 2026. The hearing will be conducted by video conference and is accessible by:

- To participate in the public hearing via phone, please dial +1-646-992-2010 or +1-408-418-9388.
  - o Access Code: 2332 867 1449
- To participate in the public hearing via videoconference, please follow the online link:
  - o Meeting link: <https://tinyurl.com/mpdmec>
  - o Meeting number: 2332 867 1449
  - o Passcode: mkQAfcx2v42

**How do I comment on the proposed rules?** Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to the Office of the Deputy Mayor for Economic Justice through the NYC rules website at <http://rules.cityofnewyork.us>.
- **Email.** You can email comments to [mentorprogram@cityhall.nyc.gov](mailto:mentorprogram@cityhall.nyc.gov).
- **Mail.** You can mail comments to 253 Broadway 4<sup>th</sup> Floor New York, NY 10007.
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rules at the public hearing must sign up to speak. You can sign up before the hearing by emailing [mentorprogram@cityhall.nyc.gov](mailto:mentorprogram@cityhall.nyc.gov) by April 28, 2026 or calling 332-455-2601 and include your name and affiliation. While there will be an opportunity during the hearing to indicate that you would like to provide comments, we prefer that you sign up in advance. Please note that the hearing is for accepting oral testimony only and is not held in a “Question and Answer” format.

**Is there a deadline to submit comments?** Yes, you must submit written comments by April 28, 2026 at 5pm.

**Do you need assistance to participate in the hearing?** You must tell the Office of the Deputy Mayor for Economic Justice by April 22, 2026 if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You can tell us by e-mailing at [mentorprogram@cityhall.nyc.gov](mailto:mentorprogram@cityhall.nyc.gov). You may also tell us by telephone at 332-455-2601.

**Can I review the comments made on the proposed rules?** You can review the comments submitted online by visiting <http://rules.cityofnewyork.us/>. A few days after the hearing, a transcript or audio file of the hearing and copies of the written comments are available by submitting a Freedom of Information Law (FOIL) request electronically on the NYC OpenRecords Portal at <http://a860-openrecords.nyc.gov/>.

**What authorizes the Office of the Deputy Mayor for Economic Justice to make this rule?** Sections 1043 and 1309(g) of the City Charter authorize rulemaking under delegation by Executive Order No. 2 (2026). This proposed rule was not included in a regulatory agenda, as the Office of the Deputy Mayor for Economic Justice did not publish a regulatory agenda for this fiscal year.

**What rules govern the rulemaking process?** The Office of the Deputy Mayor for Economic Justice must meet the requirements of Section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of Section 1043 of the City Charter.

### **Statement of Basis and Purpose of Proposed Rules**

The proposed rules are authorized by Section 1309(g)(1) of the New York City Charter and by Executive Order No. 2 (2026), which delegates to the Deputy Mayor for Economic Justice the authority to implement rules governing the Centralized Construction Mentor Program (“CCMP”). The Deputy Mayor for Economic Justice now proposes to add a new Chapter 24 to Title 43 the Rules of the City of New York to establish rules governing the CCMP.

In 2023, the State of New York passed legislation which amended the New York City Charter to add Section 1309. Section 1309 authorizes City agencies to establish two-tiered mentoring programs for small construction businesses. It also empowers the Mayor to delegate rulemaking authority to a mayoral office or department to implement a centralized program that combines agency-specific initiatives. Section 1309 was intended to promote equitable economic growth in the construction industry by creating pathways for small businesses to develop capacity, access public contracts, and receive hands-on mentorship

from experienced construction management firms.

These proposed rules would carry out the statutory requirements of Charter § 1309 by codifying program eligibility criteria, the application and appeal process, two tiers of program participation, and annual reporting obligations under § 1309(h). They would establish a uniform framework for agency participation under the supervision of the Office of the Deputy Mayor for Economic Justice.

Specifically, these proposed rules would establish:

- Definitions for key terms relevant to the CCMP;
- Responsibilities and duties of a centralized program office to oversee administration of the CCMP;
- Eligibility requirements for small businesses to join the CCMP;
- A procedure for small businesses to apply to the CCMP, as well as ongoing obligations for participants;
- A two-tiered mentorship program structure, as well as participation requirements for mentee businesses in each tier;
- A procedure for selection of mentor construction managers to support program administration and provide mentee businesses with advice and assistance in competing for and performing contracts;
- A requirement for annual reporting; and
- An aggregate contract value goal.

New text is underlined.

Deleted text is [bracketed].

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Title 43 of the Rules of the City of New York is amended to add a new chapter 24, to read as follows:

**CHAPTER 24**  
**CENTRALIZED CONSTRUCTION MENTOR PROGRAM**

**§ 24-01 Definitions.**

As used in this chapter, the following terms have the following meanings:

Centralized construction mentor program. The term “centralized construction mentor program” means a program administered by the centralized program office which combines two or more construction mentoring programs into a centralized mentoring program.

Centralized program office. The term “centralized program office” means the office authorized by the mayor to exercise the power set forth in subdivision g of section 1309 of the charter.

Designated contract. The term “designated contract” means a contract designated by a mentoring program agency for which bids or proposals are to be invited and accepted only from mentee businesses participating in the centralized construction mentor program.

Mentee business. The term “mentee business” means a small business as defined in paragraph 4 of subdivision a of section 1309 of the charter that participates in the centralized construction mentor program.

Mentor construction manager. The term “mentor construction manager” means a construction management firm that provides administrative and construction management services to the centralized program office and to a mentoring program agency in relation to a designated contract and services and assistance to mentee businesses.

Mentoring program agency. The term “mentoring program agency” means an agency that is participating in a mentoring program established pursuant to section 1309 of the charter.

Tier 1. The term “Tier 1” means the first phase of the centralized construction mentor program as described in subparagraph (i) of paragraph 1 of subdivision a of section 1309 of the charter.

Tier 2. The term “Tier 2” means the second phase of the centralized construction mentor program as described in subparagraph (ii) of paragraph 1 of subdivision a of section 1309 of the charter.

§ 24-02 Administration.

The centralized program office shall coordinate with mentoring program agencies and mentor construction managers to implement the centralized construction mentor program. The centralized program office shall oversee the centralized construction mentor program

application process, assignment of mentor construction managers to eligible mentee businesses, training and mentoring of such mentee businesses, and annual reporting. Mentoring program agencies shall cooperate with the centralized program office by providing data and access to information as required by the centralized program office.

§ 24-03 Program Eligibility.

A mentor construction manager, in consultation with the centralized program office, shall determine eligibility of small businesses for the centralized construction mentor program based on the following criteria:

(1) Business Status. A business must be independently owned and operated, have been in continuous operation under its current business name and structure for at least one year, and be a small business as defined in paragraph 4 of subdivision a of section 1309 of the charter.

(2) Revenue Threshold. The average annual gross revenues of a business for the three preceding fiscal years, including revenues of any affiliates in which the business's owners or principals hold a 10% or greater interest, shall not exceed \$3,000,000 for Tier 1 participation or \$5,000,000 for Tier 2 participation.

(3) Licensing and Certification. Possession of all licenses and certifications required by the City of New York, the State of New York, and federal law for the trade or trades in which the business seeks to perform work.

(4) Experience and Performance. Demonstrated capability to perform work within the applicable tier.

(5) References. Submission of verifiable project references supporting experience and trade competence applicable to the tier for which program participation is sought.

(6) Responsibility and Integrity. Compliance with the responsibility standards set forth in Procurement Policy Board Rule § 2-08, including financial integrity, compliance with labor, tax, and safety laws, and satisfactory past performance.

(7) Safety Record. Maintenance of a satisfactory safety record based on application disclosures and review by the mentor construction manager and centralized program office.

(8) Bonding and Insurance. Ability to obtain payment and performance bonds and insurance coverage as required.

(9) Commitment to Development. Agreement to participate in mentoring, training, and technical assistance activities as prescribed by the centralized program office.

§ 24-04 Application Procedure and Program Requirements.

(a) Form of Applications. Applications for the centralized construction mentor program must be submitted in the form and manner prescribed by the centralized program office.

(b) Mentor Construction Manager Evaluation. A mentor construction manager shall review completed applications. Such mentor construction manager shall evaluate materials submitted by an applicant to determine whether such applicant possesses the technical, managerial, and financial capacity to perform construction work.

(c) Review and Documentation. Upon receipt of a completed application, the mentor construction manager shall commence review of such application within ninety days of the date of submission. Following completion of such review, the mentor construction manager shall make a written recommendation to the centralized program office about whether to accept or deny an applicant. The centralized program office shall review such recommendation and make the final determination regarding acceptance or denial of an applicant. The centralized program office may accept or reject the mentor construction manager's recommendation based on its review of the application materials, the recommendation, and any additional information the centralized program office considers relevant and appropriate. A determination to deny an applicant shall be made in writing and shall state the basis for such denial, as well as the procedures for filing an appeal.

(d) Notification and Appeal. The centralized program office shall notify an applicant of its determination in writing. An applicant may appeal a denial to the centralized program office within fifteen days of the date of the determination.

(e) Ongoing Obligations. A mentee business that has been accepted to the centralized construction mentor program must ensure the accuracy of all information submitted in its application and remain qualified under the requirements of these rules for the duration such mentee business participates in such program. Each mentee business participating in such program must promptly notify the mentor construction manager and the centralized

program office in writing of any material change affecting such mentee business's eligibility or performance capacity, including, but not limited to, any:

(1) change in ownership or business structure;

(2) financial distress, insolvency, or other material change in financial condition;

(3) pending or final legal action, lien, or judgment against the mentee business;

(4) changes in trade licensing, bonding, or required certifications; and

(5) other circumstance that may materially affect the mentee business's ability to perform construction contracts.

(f) Periodic Review. The centralized program office or a mentoring program agency may conduct periodic reviews of a mentee business's eligibility and performance. Such reviews may include requests for updated documentation, a renewed integrity or background investigation, and evaluation of current project performance. Mentee businesses shall cooperate fully with all such reviews. Failure to cooperate or to provide requested information may result in suspension or removal of a mentee business from the centralized construction mentor program.

(g) Incomplete Applications. An application that remains incomplete for more than ninety days after initial submission may be deemed withdrawn. The mentor construction manager reviewing such application shall notify the applicant of such determination.

(h) Disqualification and Removal. A mentee business that fails to maintain the standards of responsibility, financial stability, or participation required by this chapter may be suspended or removed from the program.

#### § 24-05 Program Structure and Tiers.

(a) The centralized construction mentor program shall consist of two tiers. A mentee business may join either tier pursuant to the eligibility requirements described in

paragraph (1) of subdivision (b) and paragraphs (1) and (2) of subdivision (c) of this section. Each tier shall offer eligible mentee businesses the opportunity to compete for and perform designated contracts, with the advice and assistance of a mentor construction manager, provided that participation in the centralized construction mentor program does not confer any right or entitlement on a mentee business to receive a solicitation, to submit a bid or proposal, or to be awarded a contract.

(b) Tier 1.

(1) Eligibility. The revenues of a mentee business in Tier 1 shall not exceed an average of \$3,000,000 for the three preceding fiscal years, as calculated at the end of each fiscal year.

(2) Participation Period. A mentee business may participate in Tier 1 for up to four years.

(3) Contract Opportunities. Mentee businesses in Tier 1 shall be eligible for selection to compete for designated contracts that do not exceed \$1,500,000 in value.

(4) Mentorship. The centralized program office shall assign a mentor construction manager to each mentee business. Such mentor construction manager shall provide the mentee business with advice and assistance in competing for and performing designated contracts safely, timely, and within budget, as well as technical and business development services.

(c) Tier 2.

(1) Pathways to Tier 2 Participation. The centralized program office shall determine whether a mentee business is eligible to participate in Tier 2. The centralized program office shall consider the following factors in making such a determination:

(i) The revenues of the mentee business, including whether such revenues exceed an average of \$3,000,000 for the three preceding fiscal years, as calculated at the end of each fiscal year, rendering the mentee business ineligible for participation in Tier 1;

(ii) The mentee business's performance in Tier 1, or the mentee business's participation in a construction mentoring program administered by a public entity that the centralized program office determines to be substantially similar in scope and objectives to Tier 1 of the centralized construction mentor program; and

(iii) Any other factors the centralized program office considers relevant, including recommendations from any mentoring program agency that awarded a designated contract to the mentee business.

(2) Eligibility. The revenues of a mentee business in Tier 2 shall not exceed an average of \$5,000,000 for the three preceding fiscal years, as calculated at the end of each fiscal year.

(3) Participation Period. A mentee business may participate in Tier 2 for up to four years.

(4) Contract Opportunities. Mentee businesses in Tier 2 shall be eligible for selection to compete for designated contracts for which the contract value is more than \$1,500,000 and does not exceed \$5,000,000.

(5) Mentorship. A mentee business shall receive mentorship from a mentor construction manager. Such mentor construction manager shall provide the mentee business with advice and technical assistance in competing for and managing contracts safely, timely, and within budget.

(6) Additional Assistance. The mentoring program agency may request the provision of technical assistance from the mentor construction manager or other program partner to support a mentee business in seeking to obtain bonding for contracts that are competitively awarded pursuant to any other provision of law.

(7) Supplemental Training and Readiness. As a condition of participation in Tier 2, the centralized program office, in consultation with a mentor construction manager, may require a mentee business to complete additional training, technical assistance, or readiness activities prior to, or concurrent with, participation in Tier 2. This paragraph shall apply to all Tier 2 participants, including mentee businesses eligible for Tier 2 participation based on prior participation in a construction mentoring program administered by another public entity.

#### § 24-06 Participation Requirements.

(a) A mentee business accepted to the centralized construction mentor program shall comply with all requirements of this chapter and shall participate in the program in good faith for the duration of its participation. Participation in such program is conditioned upon a mentee business's continued satisfaction of the eligibility, responsibility, and performance standards established pursuant to this chapter.

(b) A mentee business shall actively participate in and cooperate with mentoring, training, technical assistance, and business development activities required or offered pursuant to the centralized construction mentor program. Such participation shall include, but not be limited to:

(1) attendance at required trainings, workshops, and technical assistance sessions;

(2) engagement with the assigned mentor construction manager regarding project planning, contract administration, safety, financial management, and operational capacity; and

(3) timely and accurate responses to reasonable requests for information, documentation, or participation made by the centralized program office, mentor construction manager, or mentoring program agency.

(c) Throughout its participation in the centralized construction mentor program, a mentee business shall maintain:

(1) responsibility and integrity standards consistent with Procurement Policy Board Rule § 2-08;

(2) all licenses, registrations, certifications, bonding capacity, and insurance required to perform construction work for which the mentee business seeks to compete;

(3) a satisfactory safety record, as determined based on application disclosures, updates, and mentor construction manager and mentoring program agency review; and

(4) compliance with applicable federal, state, and local laws, including labor, safety, and tax requirements.

(d) A mentee business shall maintain ongoing readiness to compete for and, if awarded, perform designated contracts appropriate to the tier in which such mentee business participates. Participation in the centralized construction mentor program does not require a mentee business

to submit a bid or proposal for every designated contract for which it is invited to compete; however, sustained failure to pursue available opportunities, without reasonable justification, may be considered by the centralized program office in evaluating continued participation or tier advancement.

(e) For purposes of this chapter, satisfactory participation in a program tier shall be determined by the centralized program office based on factors that may include, but are not limited to:

(1) continued compliance with eligibility, responsibility, and participation requirements;

(2) meaningful engagement with mentoring, training, and technical assistance activities;

(3) satisfactory performance on any designated contracts awarded, including adherence to safety, schedule, quality, and financial requirements; and

(4) demonstrated progress in business capacity, including operational, financial, and managerial capability appropriate to the tier in which the mentee business participates.

(f) Failure by a mentee business to comply with the participation requirements set forth in this chapter may result in corrective action, suspension, or removal from the centralized construction mentor program pursuant to § 24-04(h) of this chapter.

#### § 24-07 Mentor Construction Manager Selection and Responsibilities.

(a) Mentor construction managers shall be selected in accordance with chapter 3 of the rules of the New York City Procurement Policy Board.

(b) Mentor construction managers shall provide training and business development services to mentee businesses in each program tier. Such services shall be designed to support the general development of mentee businesses and may include, but are not limited to:

(1) group based training related to estimating, project planning, safety, compliance, and business operations;

(2) technical assistance and guidance regarding City procurement processes, responsibility requirements, and contract administration;

(3) business development support intended to improve financial, operational, and managerial capacity of mentee businesses; and

(4) other mentoring or educational activities determined by the centralized program office to be consistent with the purposes of the centralized construction mentor program.

(c) Mentor construction managers shall provide construction management services to mentee businesses that are awarded designated contracts. Such services may include:

(1) guidance and technical assistance related to project scheduling, cost control, safety, and quality assurance;

(2) support in complying with applicable contract requirements, including reporting, payment, and performance obligations;

(3) advice and assistance in addressing performance issues that arise during contract execution; and

(4) other construction management or mentoring services determined by the centralized program office to be appropriate and consistent with section 1309 of the charter.

§ 24-08 Contract Designation and Competition.

(a) A mentoring program agency shall exercise its discretion to identify which eligible contracts shall be designated as mentoring program contracts.

(b) The centralized program office, a mentor construction manager, or a mentoring program agency may require a mentee business to submit additional qualifications, documentation, or certifications to confirm such mentee business's suitability to compete for a particular designated contract. Such requirements may include, but are not limited to, project-specific experience or safety, technical, or capacity qualifications.

(c) A mentoring program agency, in consultation with the centralized program office, shall determine which mentee businesses are invited to compete for designated contracts. Mentoring program agencies, in consultation with the centralized program office, may limit or exclude participation of mentee businesses where the project scope, funding source, or schedule requires specialized qualifications or capacity, provided that at least 3 qualified mentee businesses must be invited to compete for each designated contract.

(d) If the number of bids or proposals responsive to the solicitation is fewer than 3, or if the mentoring program agency, in consultation with the mentor construction manager, determines that acceptance of the best offer will result in the payment of an unreasonable price, the mentoring program agency shall reject all offers and withdraw the designation of the contract as a mentoring program contract. The agency may reissue the solicitation at its discretion.

#### § 24-09 Reporting and Evaluation.

The centralized program office, in consultation with the Department of Small Business Services, shall submit an annual report to the governor, the temporary president of the senate, and the speaker of the assembly, pursuant to subdivision h of section 1309 of the charter. Such report shall include information about program participation and performance metrics for the preceding city fiscal year, recommendations for improvements to the program, and all other information set forth in such subdivision.

#### § 24-10 Aggregate Contract Value Goal.

(a) Pursuant to subdivision g of section 1309 of the charter, and to the extent consistent with the budget adopted pursuant to chapter 10 of the charter, the following goals for the aggregate value of mentoring program contracts awarded by mentoring program agencies participating in the centralized construction mentor program are established:

(1) For the first full city fiscal year following the establishment of the centralized construction mentor program, the aggregate contract value goal shall be \$15,000,000.

(2) For each city fiscal year following the first full fiscal year of the centralized construction mentor program, the aggregate contract value goal shall be an amount that is 25% greater than the goal established for the immediately preceding fiscal year, provided that such annual goal shall not exceed \$150,000,000 in aggregate contract value.

(b) For purposes of this section, the aggregate value of mentoring program contracts shall include the total dollar value of all designated contracts awarded by mentoring program agencies pursuant to the centralized construction mentor program during the applicable city fiscal year.



**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS**

**253 BROADWAY, 10<sup>th</sup> FLOOR**

**NEW YORK, NY 10007**

**212-788-1400**

**CERTIFICATION / ANALYSIS**

**PURSUANT TO CHARTER SECTION 1043(d)**

**RULE TITLE:** Rules for Centralized Construction Mentor Program

**REFERENCE NUMBER:** MWBE-1

**RULEMAKING AGENCY:** Office of the Deputy Mayor for Economic Justice

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco X. Navarro

Mayor's Office of Operations

March 12, 2026

Date

**NEW YORK CITY LAW DEPARTMENT**  
**DIVISION OF LEGAL COUNSEL**  
**100 CHURCH STREET**  
**NEW YORK, NY 10007**  
**212-356-4028**

**CERTIFICATION PURSUANT TO**  
**CHARTER §1043(d)**

**RULE TITLE:** Rules for Centralized Construction Mentor Program

**REFERENCE NUMBER:** 2025 RG 100

**RULEMAKING AGENCY:** Office of the Deputy Mayor for Economic Justice

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN

Date: March 12, 2026

Senior Counsel