

# American Federation of Labor and Congress of Industrial Organizations



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October 1, 2012

Mr. Roger W. Ferguson  
President  
TIAA-CREF  
730 Third Avenue  
New York, NY 10017

**Re: Construction of 5-11 47<sup>th</sup> Avenue, New York City**

Dear President Ferguson:

I have enjoyed working with you on efforts to rebuild our economy through President Obama's Economic Recovery Advisory Board and the President's Commission on Jobs and Competitiveness. Knowing how strongly you feel about jobs and the economic recovery, I am writing about the construction of a 181-unit residential building at 5-11 47<sup>th</sup> Avenue, Long Island City, in Queens, New York.

I have been informed that the TIAA-CREF is both a lender and equity investor in the real estate project, where construction has just begun. TIAA-CREF's efforts to invest in projects that will create jobs are a welcome boost to the economy. However, this particular project is being constructed using non-union labor through McGowan Builders. It is my understanding that this contractor is paying low wages that do not meet area labor standards, including health care and pension benefits.

TIAA-CREF has a long-standing commitment to socially responsible investing and this construction project is an excellent opportunity to create good well-paying jobs for unemployed construction workers in New York City. To this end, we ask that TIAA-CREF seek a project labor agreement with the Construction and Building Trades Council of Greater New York for the construction project on 47<sup>th</sup> Avenue.

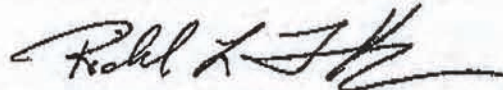
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A project labor agreement would establish the terms and conditions of employment for the project. In addition to providing collateral benefits to the local community by creating good jobs, a project labor agreement will help ensure that the project is completed on schedule and within the budget. Union contractors are more likely to have highly trained employees, better safety records and a stable workforce.

Going forward, TIAA-CREF can send a strong message about its commitment to socially responsible investing by adopting a "responsible contractor" policy for its real estate investments. Responsible contractor policies require the payment of fair wages and benefits based on local market conditions.

If I can be of help in the matter in any way, please contact me or Brandon Rees, Acting Director of the AFL-CIO Office of Investment at (202) 637-5162.

Sincerely,



Richard L. Trumka

*Thanks Roger -  
Rich*

cc: Vincent Alvarez, President  
New York City Central Labor Council, AFL-CIO

Gary La Barbera, President  
Building and Construction Trades Council of Greater New York

Mario Cilento, President  
New York State AFL-CIO