

San Diego Daily Transcript

Possible labor agreement in the works for proposed civic center

7/14/2009

By Carlos Rico

With the San Diego City Council yet to determine a developer for the proposed new civic center, talks of a project labor agreement have surfaced.

According to Kelly Saito, chief operating officer of Gerding Edlen Development, the company looking to enter into an exclusive agreement with the city to build the proposed civic center, there have been discussions with the San Diego Building and Construction Trade Council about a labor agreement.

“We have been in talks with them for the past four to five months,” Saito said. “We positively support labor agreements and the utilization of unions.”

The project would include a new civic center complex with four buildings for a city hall, city offices, fire station, retail and residential space and underground parking that would total 2.8 million square feet.

Saito said the company favors labor agreements because they involve getting the most experienced workers for larger projects. Through the years, Gerding Edlen Development has been involved with labor agreements -- mostly in Los Angeles -- even though most of them have been verbal agreements rather than entering into a signed contract.

Saito said, there is a “good possibility” that if Gerding Edlen is hired as the developer for the civic center, a project labor agreement contract would be put in place.

Tom Lemmon, business manager for the San Diego Building and Construction Trade Council, said “no official” talks have gone on about a labor agreement contract, but that one is readily available if negotiations arise.

According to a document obtained by the Coalition for Fair Employment in Construction, a group that promotes equal and open competition for contractors on public projects and strongly opposes any kind of pro-union labor agreement, a labor agreement has been written that clearly states an agreement between Gerding Edlen and the San Diego Building and Construction Trade Council.

This document has several restrictions and guidelines on who would qualify to work on the civic center project. This includes giving the hired unions exclusive right to hire whichever contractor they deem qualified for this project.

The document also encourages and assists the participation of local small businesses; enforces that a minimum 25 percent of the workers are city residents; and states that no workers’ strike will take place.

Eric Christen, executive director of the Coalition for Fair Employment in Construction, could not reveal the person or company that gave him this labor agreement.

Saito said the company favors labor agreements because they involve getting the most veteran workers for larger projects (like the civic center). "In our experience, dealing with large, complex projects," Saito said, "union workers tend to be more experienced in these markets."

Contractors in favor of labor agreements say this is the way to get paid fairly and receive health care benefits.

The biggest gripe labor agreements get is that they discriminate against roughly 85 percent of contractors in San Diego, according to nonunion contractors.

"If a (project labor agreement) is reached for the civic center, it will be like a nuclear bomb dropping," said Christen. He added that his group has tried to reach Gerding Edlen Development to inform it of the San Diego landscape between union and nonunion contractors, but they have not talked to the company directly.

According to the Center on Policy Initiatives, a nonprofit research and advocacy group dedicated to the interests of working people in San Diego, 60 percent of contractors are nonunion commercial contractors.

The City Council is expected to make a final decision on whether to enter into an exclusive negotiation with Gerding Edlen for the construction of the civic center project sometime in September. The tentative project timeline puts completion of the first phase of construction in May of 2013, with the third and final stage to be completed no sooner than May of 2018.