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## Union showdown underscores what's at stake in Somerville's economic revival

By Jon Chesto, GLOBE STAFF DECEMBER 19, 2014

Somerville's massive Assembly Row redevelopment has become ground zero in a campaign that local trade unions are waging to try to ensure their members reap the benefits of the city's economic rebirth.

Six months of talks between Suffolk Construction, a unionized contractor, and the developer, Federal Realty Investment Trust, came to a halt in the past week when Suffolk chief executive John Fish learned that his company would not be tapped to be the general contractor for a nearly 450-unit apartment building.

Federal development director Patrick McMahon said it is looking beyond union contractors in order to avoid high costs that could lead to overpriced apartments.

Suffolk and several unions agreed on a price that's still \$30 million to \$40 million more than Federal is willing to spend. McMahon said the company can't spend much more than \$120 million and stay competitive with the AvalonBay apartments that have already been built at Assembly Row. Rent for a typical two-bedroom there starts at \$2,575 a month.

More than 50 Somerville residents endorsed a Dec. 1 note to Federal executive Don Briggs, urging him to hire Suffolk and make Assembly Row's next residential phase an all-union job. In a Dec. 15 response, Briggs wrote that he had decided to consider nonunion contractors and conclude the process with Suffolk to ensure the apartments are priced at market rates.

Fish said he was advised within the past week that Federal is going to look for other contractors for the job. "Whenever you're looking at union pricing versus nonunion pricing, it's not apples to apples," Fish said. "Our wages are higher, our health benefits are [better]."

The tensions underscore the number of jobs at stake with the building boom underway in Somerville, particularly in the Assembly Square area and in neighborhoods along the future Green Line extension, such as Union Square.

McMahon said the company wants to get as much union participation as possible as it talks with other general contractors. The 450,000-square-foot apartment complex, he said, could take 2½ years to complete if construction begins in the spring.

Federal recently hired Suffolk to build an 850,000-square-foot complex for Partners HealthCare at the same site, and it worked with another union contractor on two other major commercial buildings there, McMahon said. He said it's more financially feasible to go all-union with a commercial project than with a residential project.

AvalonBay's apartments were built with union and nonunion workers.

To labor activists such as Rand Wilson, union labor ensures local construction workers get paid decent wages.

"We're at a crossroads in Somerville in so many ways," said Wilson, a Somerville resident who helped organize the letter to Briggs and works as a policy director with SEIU, Local 888. "We're looking at \$1 billion worth of work over 20 years."

Jon Chesto can be reached at [jon.chesto@globe.com](mailto:jon.chesto@globe.com). Follow him on Twitter @jonchesto.

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