

**Testimony of**

Sarina Rose

VP of Development, Post Brothers Apartments  
Philadelphia, PA

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**Re: Representative Miller's HB 1154**

Good Morning, my name is Sarina Rose, I am Vice President of Development for Post Brothers Apartments. Thank you Chairman Marsico and Chairman Caltagirone. I appreciate very much being given the opportunity to testify today.

Post Brothers is a vertically integrated multifamily development and management company. Post's exclusive focus is the creation large scale Class A apartment and multifamily-oriented mixed-use properties.

Post will continue acquisition of primarily Adaptive Reuse, Infill Development sites, and Underutilized Existing Apartment Projects. We take great pride in taking a distressed property and undertaking a full scale renovations. We strive for energy efficiency, and in every project bringing something new and exciting to the Philadelphia market. Our investments have led to over Five hundred construction jobs and over One hundred and fifty permanent jobs. These investments have brought millions of tax dollars to the City without taking any subsidies whatsoever.

We consider ourselves a local market expert with full in-house General Contracting, Development, Property Management, Leasing and Capital markets expertise.

Our first interactions with the Building trades council and Construction Labor unions where it significantly interfered with one of our projects was in Center City Philadelphia in March of 2011, when we began renovating an old factory building which we called the Goldtex Apartments Project. We were starting construction, primarily performing demolition, building stabilization and preparing the site for full construction to begin. At this same time, we were actively bidding the project for the balance or the construction trades that would begin in the following 6 months. We began to receive increasing pressure to commit to 100% union workers on the project. Many union Business agents would routinely patrol the site so that they would know if any open shop or non-union affiliated contractors were even looking at the project. We had active contracts with 4 large union subcontractors on site. These contractors were actively working. We brought a few carpenters who were associated with and open shop contractor to build a small model unit for marketing purposes. The construction labor unions put up signs of protest front of the building and all of the union contractors that were working on the site immediately walked off of he project. We pulled the open shop contractor off the project and asked our union contractors to come back. They said that they could not. Their men were being harassed, and threatened and they just couldn't come back they told us. Some of these union contractors told us their men were scared. Others threatened us.

Discussions with Post and the head of the local building trades council continued and they insisted we commit to 100 % union contractors for the project. We told them that we could not do that. We award contracts on a basis of merit. Our primary focus at that time was to make the budget work on the

project. The union contractors who walked off the job had at least 2 months worth of work to be completed. They never completed that work, by their own choice.

We believe that the way the negotiations and pricing was going, union contractors probably would have been awarded well over 60% of the work on the project.

We ultimately felt because the contractors refused to return to the project, that we had no choice but to hire primarily non-union affiliated contractors on that site. Months of negotiations with selective union subcontractors ended in disappointment for both parties. The union contractors we had been negotiating with told us that they could not and would not come or "cross the line" unless we worked something out with the building trades council. The building trades council increased their resolve. They made their requirements very clear, commit to 100% or we will do everything in our power to stop your project.

Picket lines and violent protests ensued on the Goldtex site, and pickets and blocking of contractors and deliveries at all of our properties became a routine issue to deal with. Many of those properties were occupied with people living there. Even if there was no active construction, protesters would not leave any of our properties alone. The picketers for the last two years have incessantly tried to intimidate and harass our contractors, families, staff and at times our residents. They attempt to vilify the entity of Post Brothers for "destroying communities" and for being "unfair" to contractors. The banner and hand billing which is their typical practice or protest has now extended to random sites all over the city, sites which have no association to our projects.

A day in the life on site at Goldtex, included protestors linked together arm in arm at the gates stopping our contractors from entering. Protestors blocked cranes, flattened tires, disabled large concrete trucks with homemade tire spike strips, vandalized contractors vehicles by welded nail balls, broke windshields, smashed cars, punched and hit our security, contractors and other staff... A security guard and another Post staff member were attacked with a crow bar in the middle of the night when simply entering our gates. In another incident a contractor was entering our site and as he walked between the fence and a stone wall, a mob of protestors pinned him against the wall and began slamming themselves against the fence crushing him repeatedly while he was screaming and until he fell to the ground in pain.

We planned deliveries as if they were entering a war zone. Our delivery companies, vendors and suppliers were called and threatened one after another. Many concrete and crane contractors, and suppliers were called and told that someone would blow up their plant or shop if they worked for us. Finding contractors to come to our projects at that time was very difficult.

I myself have been a target of this harassment and am involved in a case where a prominent leader of one of the trade unions assaulted and threatened me. My children have been photographed at their bus stop, myself and my children have been also videotaped and my children's sporting events, all by union affiliated contractors. Our contractors and employees wives have been harassed and videotaped, followed and harassed while entering and dropping of their young children at classes, child care and at home by the local trade union members. They go through our garbage, follow us home, and have enlisted a campaign to video tape our residents including women, children and seniors on all of our sites all day almost every day. The protestors scream and yell if ignored.



The solutions to these matters, well, we quickly ramped up a security force in response to this unlawful behavior, unlike any private security force with in the city of Philadelphia. We instituted a policy of 24/7 surveillance and recorded many incidents of the protestors breaking the law. At one point, we began posting incidents on a web site [Phillybully.com](http://Phillybully.com) Videos of many incidents that I described are on this site. We hire the Sheriffs office on a routine basis to enforce the injunctions. This cost is several thousand dollars per day per site. Unfortunately, we are extremely limited in the amount of officers available. Additionally, the injunctions are limited to our sites, which is helpful, but unfortunately, the harassment goes well beyond the fortresses we have created at those locations.

Each step along the way we found creative solutions to continue all of our projects and continue to deliver what we feel to be an incredible and world class product. We were committed to increasing the class and quality of apartment projects in the City of Philadelphia

Once we proved that we could and would do what we needed to do to keep our contractors safe on the sites, contractors became extremely interested and eager to work for us. These are good contractors, contractors that are well trained and qualified to perform this work, despite the claims of the building trades council. We even offered and provided on occasion security and or surveillance at contractors offices and homes when needed.

We support HB 1154 because although we catch these violators conducting these frightening and dangerous acts against our family members residents, contractors and staff, there is what seems to be a special dispensation that these persons attain due to their involvement in a current self proclaimed "labor depute or conflict." Even though we have evidence of what are certainly criminal acts, law enforcement routinely gives union affiliated violators what we consider a pass on laws that every other American citizen must follow. If there was a was a pedophile photographing my children, or if I had an ex husband who threatened to shoot me with a gun, I could certainly implore law enforcement to do something about it, but because there are certain trades in a self proclaimed active labor dispute with my company, the DAs office self admittedly treats these cases differently.

Despite the activities I speak of organized by the Union leadership, we are not and "anti-union" company. Post Brothers routinely uses Building trade Union affiliated contractors. We support the basic principals of the unions, which include fair treatment of their workers. The majority of our crews are Philadelphia residents. Our hiring goals are based on representing the community in which we work. We are proud to employ men and women of a racial mix similar to that of Philadelphia, which would be impossible to do if we hired solely union contractors. We continue to be committed to our investment in Philadelphia and this wonderful state.

Thank you very much again for the opportunity to testify today.

I would be happy to answer questions you may have. I have also brought some short video clips, if you want to view an incident that I described.

**End of Submitted Testimony**