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December 18, 2018

William C. Thompson, Jr.
Chairperson, Board of Trustees
Dr. Vita Rabinowitz
Interim Chancellor
The City University of New York
205 East 42nd Street
New York, NY 10017

Dear Chairperson Thompson and Interim Chancellor Rabinowitz:

As president of the Professional Staff Congress, I write to call on you to provide full information to the University community about the basis for your statements enthusiastically supporting the agreement to provide massive public subsidies to Amazon and pledging to “commit [CUNY’s] considerable assets to ensure that Amazon has a strong pipeline for talent, ideas and innovation.”

In a series of public statements on behalf of the University, you have expressed an extraordinary level of support for Amazon’s decision to locate a new headquarters in Long Island City, part of an agreement with New York City and New York State involving nearly \$3 billion in public money. In addition to Chairperson Thompson’s November 13 statement quoted above, Interim Chancellor Rabinowitz promised in the same message “to provide skilled graduates ready to compete for Amazon’s 40,000 new jobs.” LaGuardia Community College President Gail Mellow has also extolled the agreement in public comments.

In an opinion piece in the *Daily News* published on November 21, you write jointly that “CUNY is a lead partner in Amazon’s expansion” and claim that Amazon’s “great promise of opportunity” is “guaranteed in the agreement, for thousands of New Yorkers of diverse backgrounds and means.”

The PSC has not yet taken a public position on Amazon’s projected new location in New York City or on the agreement to dedicate billions of public dollars to support the corporation. Our members need much more complete information about the “guarantees” referenced in your opinion piece and many other issues related to your support for the agreement. Based on the information publicly available, hundreds of our members have expressed concerns and objections to the deal.

PSC members are well aware of Amazon's promises about jobs. We are also intensely engaged with CUNY students' aspirations for good jobs and fair pay. We work every day to help our students to realize their hopes for their lives. As CUNY faculty and staff, we also understand the economic importance of the tech sector and the potential of jobs in technology for communities that have been largely excluded from the lucrative positions it offers. Hundreds of CUNY faculty and staff work in the STEM fields and have devoted their professional lives to creating opportunities in these fields for CUNY students and to revolutionizing the fields themselves. But the agreement with Amazon, particularly in light of Chairperson Thompson's promise "to commit [CUNY's] considerable assets" to the world's richest corporation, raises a host of questions of vital importance to the University community.

I am writing this letter and sharing it with the PSC membership in the hope that you will take the opportunity to provide public answers to our questions. We believe we are entitled to know what promises have been made, what support has been offered, and what your embrace of the Amazon deal will mean for CUNY and those of us whose labor sustains it.

The questions center on four areas: 1) the support for massive public subsidies to Amazon at a time when CUNY is starved of public funds; 2) what is meant by CUNY's serving as a "pipeline" to Amazon; 3) the implications of a unionized employer's supporting public subsidies to a company with a notorious anti-union record; 4) the projected impact on the Long Island City community in which two CUNY campuses are located.

First, on the public subsidies:

- As part of the agreement, New York State will provide up to \$1.2 billion in "Excelsior tax credits," in addition to other subsidies using public funds. If Amazon fulfills its promise to create 25,000 jobs in New York, the amount of the credit will be the full \$1.2 billion. How can that amount be justified at a time when New York State will not even provide maintenance-of-effort funding to CUNY?
- The proposal submitted by New York City in response to Amazon's competition to house its new HQ2 mentions CUNY repeatedly and cites CUNY programs in STEM and other fields to support the City's bid for HQ2. In announcing the decision, Amazon claimed that the proximity to an educated workforce was a key factor in its choice of New York City, and CUNY is expected to be "a lead partner" in supplying that workforce. What additional funding is being provided to CUNY as part of the deal?
- While Amazon has made a promise of 25,000 jobs, CUNY has a proven record of enabling more people to move out of poverty into middle-income jobs than any other institution in the country—including Amazon. Was there any discussion of a commensurate public investment in CUNY?

- As part of the agreement, Amazon will reportedly make payments in lieu of property taxes, or PILOTs, to the City. Half of the value of the PILOTs will go to a City infrastructure fund. Well before the Amazon deal was announced, the PSC made a proposal to the NYC Advisory Commission on Property Tax Reform to create PILOTs to generate additional revenue for CUNY. Will any of the revenue from the Amazon PILOT go to CUNY, given CUNY's preeminent role in enabling economic advancement for hundreds of thousands of New York residents?
- Given the prominence of CUNY in the proposal submitted to Amazon, does the deal include any agreement to address the unsustainable funding model for the CUNY senior colleges? Does it include a commitment that the State will fully fund the next collective bargaining agreement between CUNY and the PSC, or that it will finally fill in the funding gap created since the increase in enrollment in the last decade?
- Does the deal include any agreement to restore the State's base aid funding for community colleges to the level stipulated in state law?
- What guarantees are in place to ensure that further increasing CUNY students' tuition and fees is not an option if Amazon fails to create the promised return on the State's investment and the State seeks additional revenue?

Second, on what it means for CUNY to be a "pipeline" to Amazon or "to provide skilled graduates ready to compete for Amazon's 40,000 new jobs":

- What written agreements, if any, were made with CUNY as part of the Amazon deal? Did any of them include financial support for CUNY?
- The members of the PSC dedicate our professional lives to helping CUNY students to achieve the economic stability and the lives they imagine for themselves. We are intensely aware of the value to our students and their communities of attaining fulfilling jobs. But CUNY was founded specifically so that working people would have access to a full liberal arts education rather than being limited to technical training as designed by an employer. Does the commitment to make CUNY a "pipeline" to Amazon risk compromising CUNY's historic mission?
- Is there any agreement that will protect LaGuardia Community College from reducing the scope of its broad and innovative curriculum in order to serve Amazon's needs?
- Will there be financial pressure on LaGuardia and other CUNY colleges to tailor their curriculum to Amazon's needs, even if elected faculty governance bodies object?
- Have any jobs been promised for CUNY graduates? If so, has Amazon made any commitment to ensure that graduates of LaGuardia and other CUNY colleges will receive high-paying jobs, or will they be expected to fill lower-status, lower-paid jobs?

- There is reportedly no guarantee in the Memorandum of Understanding committing Amazon to hire locally and only a relatively tiny \$5-million commitment to job-training in the nearby Queensbridge public housing. Is that correct? Is there anything in the agreement to prevent Amazon from making only a token effort to provide high-paying jobs to the local community and finding most of its candidates for high-paying jobs elsewhere?
- Are there any commitments in the agreement to improve Amazon's record of employing African Americans, Latinos and women in influential and well-paid positions?

Third, on CUNY's embrace of a corporation known for opposition to workers' rights:

- A recent report by the National Council on Occupational Safety and Health lists Amazon as one of its "dirty dozen" of companies and cites "a disturbing pattern of preventable deaths" at Amazon facilities. As an example, an Amazon warehouse in Pennsylvania during a heatwave reported so many ambulance calls for the effects of overheating on workers that the company paid for paramedics to be stationed outside the warehouse—rather than fixing the conditions. Amazon is also vigorously anti-union. What agreements, if any, were made by Amazon to improve labor practices as part of the agreement to locate in New York City?
- As management of a fully unionized institution that has entered into numerous successful collective bargaining agreements, did you seek any protections for Amazon workers as you promised to commit CUNY's considerable assets to Amazon?
- Did you seek any labor protections for the CUNY students who might accept jobs at Amazon, including service jobs? Will CUNY require that such protections be in place before committing to serving as a "pipeline" to Amazon jobs?
- Did any of the discussion of CUNY's support for Amazon include a discussion of labor practices at CUNY, especially CUNY's reliance on underpaid part-time instructors to teach the majority of its courses? Amazon provides a training video to managers on how to prevent union organizing; it warns that even the use of the phrase "living wage" by employees could be a "warning sign" of "vulnerability to organizing." Does your embrace of partnership with Amazon signal approval of their labor practices?

Fourth, the effect of Amazon's HQ2 on the Long Island City community:

- Two CUNY campuses are located in Long Island City: LaGuardia Community College and the CUNY Law School. The area is already congested and inadequately served. What provisions have been made to ensure that the ability of CUNY students,

faculty and staff to travel to campus is not sacrificed to satisfy the infrastructure needs of Amazon?

Many companies relocate to New York City, and many have a mixed impact on working people. But the unprecedented level of public subsidies for Amazon makes the Amazon deal a public issue. And the CUNY administration's exceptional public embrace of the deal makes it an issue for the CUNY community. We believe that the CUNY community is entitled to a full and open report on all agreements concerning CUNY that were made as part of the deal. We look forward to your response.

Yours sincerely,

A handwritten signature in cursive script that reads "Barbara Bowen".

Barbara Bowen
President, PSC

cc: Membership of the Professional Staff Congress/CUNY