April 17, 2018

NO. 284 Residential

TO: Owners and Managing Agents of Residential Buildings

SUBJ: Tentative Labor Agreement

The Realty Advisory Board on April 13, 2018, tentatively reached an agreement with Local 32BJ, SEIU, for a renewal of the residential building service workers’ contract that is set to expire on April 20, 2018. The deal covers more than 30,000 residential building service employees, including doorpersons, porters, handypersons, and building superintendents, who work in over 3,000 residential rental, co-op, and condominium buildings. The tentative agreement is subject to ratification by the Realty Advisory Board’s Board of Directors and by the membership of Local 32BJ. We expect these processes to conclude in the next few weeks.

Today’s announcement is the result of months of planning and several weeks of meetings between the RAB and Local 32BJ. Our negotiating committee spent long hours working through extremely difficult issues. We believe the final result is a fair and equitable contract reflecting today’s economic realities while protecting the long-term health of our industry.

While the complete details of the agreement will be announced after ratification, the broad economic parameters of the tentative deal are as follows:

- An average wage increase of 2.73% each year over the four years of the contract, or approximately 10.92% in total increases. Wages for a typical doorperson or porter will increase from $49,401.56 to $55,017.56 on April 21, 2021.

- Wages and benefits will increase an average of 3.32% over the contract period.

Our negotiating committee was able to offset these costs through the achievement of dramatically reduced increases in healthcare costs in the years covered by this agreement, as well as several other key measures designed to enhance employer flexibility.

Please contact the RAB with any questions you may have. Further details about the agreement will follow after the agreement’s ratification.