

Realty Advisory Board on Labor Relations, Incorporated

292 Madison Avenue, New York, N.Y. 10017

Telephone:(212) 889-4100 Facsimile:(212) 889-4105 Web: www.rabolr.com



Officers

JOHN SANTORA
JOHN J. WHALEN
ERIC RUDIN
JONATHAN RESNICK
ANDREW HOFFMAN

Chairman
Vice-President
Vice President
Treasurer
Secretary

Howard I. Rothschild
President

Proskauer Rose LLP
General Counsel

Directors

Residential Division
MITCHELL BARRY
MICHAEL BERENSON
PAUL BRENSILBER
JEFFREY BRODSKY
RITA C. CHU
NEIL DAVIDOWITZ
CHARLES DOREGO
MITCHELL GELBERG
PAUL HERMAN
ANDREW HOFFMAN
JEFFREY MANOCHEIRAN
BRIAN MCCARTHY
JAMES V. O'CONNOR
MARY ANN ROTHMAN
JONATHAN S. WEST
MICHAEL WOLFE
DANIEL WURTZEL
LAURIE ZUCKER

The Realty Advisory Board announces that it has tentatively reached an agreement with SEIU Local 32BJ for a renewal of the commercial and contractors building workers contracts that expire on December 31, 2015. The deal covers more than 23,000 commercial building service workers – including office cleaners, maintenance workers, elevator operators, porters, lobby attendants, and some security professionals – in more than 1,200 commercial properties throughout Manhattan, Brooklyn, Queens, and Staten Island. The tentative agreement is subject to ratification by the Board of Directors of the Realty Advisory Board and the membership of the Union.

The tentative agreement was reached an unprecedented 13 days before it was set to expire on December 31. That is great news not only for our building owners and contractors, but also all who work in New York City's commercial properties, because the industry does not have to disrupt its normal routines over the holidays to plan for a possible strike.

The broad financial parameters of the tentative deal are as follows:

- The agreement includes an average wage increase of 2.69% each year over the four year contract. That will bring total wages for a typical office cleaner from approximately \$49,760 to \$55,324 by the end of the contract.
- The deal also maintains the benefits packages that 32BJ members receive, including full family health insurance covering medical, dental, optical and prescription drug coverage and a defined benefit pension fund and 401K annuity with an employer contribution.

This agreement includes a renewed spewer commitment by each side to collaboratively find cost savings and efficiencies to keep health care costs down. This partnership to reduce future health care costs was first implemented in 2011 and helped realize health fund savings of over \$100 million annually. Nevertheless, the parties agree that as health costs continue to escalate, they must do even more to control costs while providing quality health care.

The RAB Board of Directors is scheduled to meet on January 4, 2016 to consider ratification of the agreement. The union membership will also have a ratification vote.

Directors

Commercial Division
PAUL ALLEGRETTI
ASHER BERNSTEIN
BLAISE CRESCIULLO
WILLIAM DACUNTO
MATTHEW DUTHIE
LOUIS ESPOSITO
KATE HEMMERDINGER-GOODMAN
THOMAS HILL
DANIEL KINDBERGH
THOMAS MADDEN
BART MC DADE
SCOTT MURRAY
EDWARD V. PICCINICH
JONATHAN RESNICK
JOHN SANTORA
GERALD SCHUMM
GASTON SILVA
JOHN J. WHALEN

Director-at-Large

ERIC RUDIN
Rudin Management Co., Inc.

Chairmen Emeritus

EDWARD F. GALLAHER
CHARLES C. QUINN
EDWARD A. RIGUARDI

President Emeritus

JAMES F. BERG
Realty Advisory Board on Labor Relations, Inc.