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FOR IMMEDIATE RELEASE: May 18, 2015
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**MAYOR DE BLASIO ANNOUNCES TENTATIVE CONTRACT AGREEMENT BETWEEN NYCHA
AND TEAMSTERS LOCAL 237**

*Agreement Brings 78 Percent of Workforce Under Contract, Conforms to Civilian Labor Pattern Established
Last Year*

NEW YORK—Mayor de Blasio today announced that the New York City Housing Authority has reached a tentative contract agreement with Teamsters Local 237, which covers over 5,500 NYCHA employees at developments across the city, including caretakers, housing assistants, health plant technicians, resident buildings superintendents, and more. This agreement brings 78 percent of the workforce under contract.

This agreement conforms with the civilian labor pattern established last year. The agreement also incorporates the unprecedented health care savings agreed upon with the Municipal Labor Committee, ensuring that these raises are affordable and responsible for the City and its taxpayers.

The proposed contract provides for 10 percent in raises over seven years, five months, and 15 days. It would begin, retroactively, on December 15, 2010 and expire on May 29, 2018.

“Local 237 members are critical to maintaining and strengthening the public housing that over 400,000 New Yorkers call home,” said **Mayor Bill de Blasio**. “This agreement means that these NYCHA employees will get the fair wages they deserve, in a way that protects New York City taxpayers.”

“I commend the administration on reaching this contract agreement, which will extend vital benefits to NYCHA employees working on-site in developments citywide. The Labor-Management Committee will not only bring governmental and labor leaders to the table to create real job sustainability, but further research ways to overcome NYCHA’s long fiscal disinvestment, revitalize our infrastructure, and improve our day-to-day operations. I continue to work with Mayor de Blasio to ensure NYCHA provides safe, clean, and connected communities for residents,” said **NYCHA Chair Shola Olatoye**.

“This contract conforms to the pattern of all other negotiations successfully completed during the de Blasio administration,” said **Local 237 Teamsters President Greg Floyd**.

As part of the agreement, the City and the union will create a joint Labor-Management Committee, which will consist of representatives of the City, NYCHA, Local 237, and other unions representing NYCHA workers. Given the years of federal and state disinvestment in public housing, the committee will work to increase available funds to build and maintain strong, vibrant public housing infrastructure; improve the cost-effectiveness, efficiency, and flexibility of operations; examine insourcing where there are savings or productivity opportunities; and improve the delivery of services and resident experience. The committee will convene within 30 days of contract ratification.

Similar to other pattern settlements, NYCHA and Local 237 have also agreed to continue to identify, review, recommend, and develop initiatives that will generate workplace savings, maximize the potential of the workforce, and ensure the provision of essential services, while at the same time providing increased

compensation for the workforce. The parties will conclude discussions on this issue no later than 24 months after the date of contract ratification.

In total, the MLC and the City have agreed to secure \$3.4 billion in health care savings through Fiscal Year 2018 (starting with \$400 million in FY15 and building up to \$1.3 billion in FY2018), and \$1.3 billion in recurring savings every year thereafter. These savings are focused on cost-cutting measures that, for the first time, bend the curve of rising health care costs. The City has already [detailed the \\$400 million in savings for FY15](#). These savings are guaranteed and enforceable by arbitration.

Fair Wages

The tentative contract agreement is consistent with the established civilian pattern. Wage increases will constitute 10 percent over seven years, five months, and 15 days:

June 15, 2012 – 1.00%
June 15, 2013 – 1.00%
June 15, 2014 – 1.00%
June 15, 2015 – 1.50%
June 15, 2016 – 2.50%
June 15, 2017 – 3.00%

The agreement also includes a one-time \$1,000 ratification bonus, which will be pro-rated for part-time employees.

The tentative agreement also includes benefit improvements funded by the five month, 15 day contract extension over the seven-year pattern. This includes an increase in welfare fund improvements (a \$280 annual increase for active employees and retirees) and a small increase in the uniform allowance to provide for safety shoes.

Affordable Costs

The cost of today's tentative agreement across the Financial Plan (from FY 2015 through FY 2019) is consistent with the cost of the other civilian settlements reached to date and fully funded within existing budgetary projections:

Gross Cost: \$156.1 million
Health Savings and Stabilization Fund: (\$89.7 million)
Net Cost: \$66.4 million

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