

PHA votes favorably on historic labor pact

- June 19, 2014
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In what it termed a “historic agreement,” the Philadelphia Housing Authority voted in favor of a Project Labor Agreement with the the Building and Construction Trades Council that will reduce the cost of major building projects, change the way the agency obtains labor for long-term projects and promote the employment of PHA residents, minorities, and women.

About 60 people came to the PHA monthly meeting yesterday to hear the board vote.

“This is an historic agreement that has been reached between PHA and the BCTC,” said PHA president and CEO Kelvin A. Jeremiah. “The agreement is beneficial on many levels for PHA — not only will the reduction in labor costs aid PHA in its goal to provide 6,000 affordable housing units in five years, but the agreement will also help secure more jobs for PHA.”

The agency negotiated a Project Labor Agreement with the construction labor unions that will significantly reduce costs. Both PHA and BCTC have agreed to a 20 percent reduction in construction wages and benefits, which will enable PHA to build six family homes for the cost of five.

“We are excited to be a part of this historic agreement that brings stability to our workforce,” said buisness manager for Laborers Local 332 Sam Staten Jr. “We look forward to our continued partnership with Kelvin A. Jeremiah and the Housing Authority and being a part of the solution to bring more affordable housing to Philadelphia.”

Both President Obama and Philadelphia Mayor Michael A. Nutter have signed executive orders encouraging the use of Project Labor Agreements in connection with large-scale projects to promote economy and efficiency while maintaing high standards of construction.

“By adopting a Project Labor Agreement strategy, the PHA has taken a significant step toward increasing its capacity to build affordable housing in this city at affordable costs,” Mayor Nutter said. “As the PHA Board noted in the resolution it adopted, our administration intiated a Project Labor process in 2011, which ensures greater employment diversity at worksites along with timely completion and cost management of major public works projects.”

The agreement will run for five years and will cover construction and major rehabilitaion projects over \$5 million. Employment requirements for this agreement include 25 percent be PHA residents, 20 percent be women and 20 percent be minorities.

“This historic agreement between the building trades and PHA means more jobs, less wasteful overtime and more quality affordable housing for Philadelphia residents; a win-win-win,” said council president Darrell L. Clarke. “I’m grateful to the building trades and to Kelvin Jeremiah of PHA for their commitment to City Council’s workforce housing strategy. The need for affordable housing in Philadelphia only keeps growing, and this agreement brings our goal of 2,000 new units closer to reality.”

The PHA board also voted on five year contracts with BCTC and District Council 33.