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Luxury Buildings Brace for an Online Shopping Deluge

Managers in New York, Atlanta and Los Angeles prepare for the wave of holiday deliveries with electronic lockers and custom armoires

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Building managers are bracing themselves for the big holiday rush: the deluge of packages that flood their front doors.

As online ordering of everything from last-minute meals to unwieldy children’s bicycles becomes the norm, luxury condo buildings are developing strategies to keep up with the deliveries—and bring a white glove experience to residents who are getting more boxes than ever. This year, the U.S. Postal Service expects to deliver 15.5 billion pieces of holiday mail, a 10.5% increase from 2014, according to agency estimates.

To combat the tidal wave—one large apartment operator recently stopped accepting parcels at all of its properties—luxury building managers are implementing electronically coded lockers, installing hidden storage areas and adding bellhops. Residents living in luxury high-rises in cities like New York, Miami and Los Angeles—who are paying hefty monthly maintenance fees—expect package retrieval and drop off to be a seamless amenity, say building managers.

An increase in online shopping is leaving some landlords crushed under a mountain of packages. Now, some apartment operators are enforcing limits and in one case, no longer accepting deliveries. Photo: Gables Residential.

“The tricky part is [handling packages] after Thanksgiving,” says Arber Bruncaj, resident manager at Greenthal Management, which runs 388 Bridge Street, a 378-unit building in Brooklyn. On weekdays leading up to Christmas, the building sees up to 250 packages a day rather than the typical 100, he estimates.

The building earlier this year hired an additional employee to serve as a “hallman,” who brings packages upstairs

to hand to residents as soon as they arrive, he says. If residents aren't home, they have the option of allowing the hallman to drop off the package inside the apartment's entryway, or even place perishable items inside the fridge, he adds.

In prior years, the Peachtree Place Condominiums in Atlanta's Buckhead neighborhood would hire someone to receive and distribute packages during the winter months, says Dot Edwards, association manager at Access Management Group, which runs the development. Residents, often anxious about their gifts arriving on time, would wander to the front to ask about deliveries.

This past summer, the 330-unit development joined forces with startup Luxer One, which installed 40 package lockers near the lobby. Now residents can retrieve packages from the lockers via a one-time access code they receive via email or text. Once a package is picked up, the locker is reset and can be used for another delivery. The 40-unit system costs about \$20,000 and the service costs \$129 a month, according to Luxer.



At the Century, a 140-unit building in Los Angeles, owners receive an online alert that a package has arrived. Building staff flip a switch which turns on a light in a resident's laundry area, says Related Companies' Stacy Gerowitz, who manages the building. Residents retrieve their package from a locked "concierge closet" and flip the switch outside of the closet to indicate that they've retrieved the item.

Finding room for all the boxes can be particularly challenging in an older building. Before the 1960s, someone was home all day to handle deliveries, so storage near the lobby was minimal, says Marilyn Sygrove, an interior designer who works with

buildings in New York. In the past few years, Ms. Sygrove says she has worked with more than a half dozen prewar buildings looking to add package storage areas.

To avoid carving out rooms that could ruin elaborate ceiling designs, Ms. Sysgrove commissions pieces like floor-to-ceiling armoires for \$8,000 to \$20,000. Many of the pieces are "as big as we can make it," she says.

Not only do buildings have to alert residents to an arrival, they also have to know when to keep certain residents in the dark. Scott Cohen, a doorman at 850 Park Avenue, a prewar co-op on New York's Upper East Side, says a common request is to store presents out of sight of prying children. "We keep [the box] downstairs in the package room and the night before Christmas, they will bring it upstairs," he says.

In Brooklyn, the front desk was left scrambling when a husband recently asked to skip an online notification for a package for his wife, says Mr. Bruncaj. Rather than enter a package into the building's tracking system, the doormen passed confidential shift notes for 48 hours to keep the package from being traceable.

Buildings also have to ensure they get the right package to the right recipient. Brianne Manz, who runs parenting website Stroller in the City from her New York apartment and often receives products to test, says she recently opened a package meant for a neighbor that was delivered to her door.

Rather than telling her neighbor about the box—which was sent by a sex shop—she quietly placed it near his entrance after he left for work. “I just left it at his door this morning,” she says.