



**Date:** October 4, 2005

**To:** Honorable Mayor, and City Councilmembers

**From:** Councilmember Bonnie Lowenthal, First District *BL*  
Councilmember Dan Baker, Second District *DB*  
Councilmember Tonia Reyes-Uranga, Seventh District *TRU*

**Subject:** Labor Peace Agreement

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**Background:**

In recent years, throughout the state of California, there has been an increase in labor disputes in the hotel industry. Often times cities are caught in the middle, losing essential revenue by clients who refuse to cross the picket line and turn to neighboring cities to accommodate their needs. Such moves are extremely disruptive and can potentially tarnish a city's reputation, thereby impacting future considerations as a host city.

The San Francisco Chronicle published an article last summer that indicated that the City of San Francisco lost \$1.8 million in projected revenue when the Organization of American Historians decided not to cross a hotel labor dispute picket line. The City of Los Angeles faced similar losses earlier this year when a number of events had to be relocated due to similar strikes at high profile L.A. hotels.

The City of Long Beach currently has 4 hotels that are situated on City-owned property, for which the City has a contracted lease agreement with each respective entity. The City of Long Beach has an overwhelming interest in reducing the risk that such labor disputes have a negative impact on our City.

Comparable cities in the State of California, including Los Angeles, have enacted labor peace ordinances that are designed to protect its revenue by ensuring that any future labor disputes will not adversely impact its sources of revenue.

**Recommendation:**

Therefore we request, with the support of our colleagues, that the City Attorney draft an ordinance that would require that the City receive documentation from a hotelier that can include, but is not limited to, a labor peace agreement as a condition of approval for any new lease, lease amendment or lease assignment for all hotels located on City-owned property.