



**City of Long Beach
Working Together to Serve**

R-10
Memorandum

***Office of Councilmember Steven Neal
Councilmember, 9th District***

Date: October 22, 2013

To: Honorable Mayor Bob Foster and Members of the City Council

From: Councilmember Steven Neal, Ninth District *SN*
Vice Mayor Robert Garcia, First District *RG*
Councilmember Suja Lowenthal, Second District *SJ*

Subject: "Labor Peace Agreement"

Recommendation:

Respectfully request the City Attorney draft a proposed ordinance requiring future concessions contractors at Long Beach Airport and Convention Center provide the City with contractual assurance of labor peace to avoid interruption of City revenues and present to the city council within 30 days.

Background:

The City of Long Beach has a significant proprietary interest in our Long Beach Airport and Long Beach Convention Center.

Labor peace agreements arise when a local government asserts a "proprietary interest" in a particular facility and requires firms doing business at this location to agree to term outlining its engagement with an employee organization which ensures that labor disruptions such as strikes, pickets, or protests will not disturb the local government's financial interest.

Our revenues from its concessions at the Airport and Convention Center are largely dependent on the concessions' workers and unions not engaging in a strike or boycott. Therefore, mandating labor peace at the Airport and Convention Center would better suit the City of Long Beach.

Labor peace ordinances have been passed in multiple jurisdictions nationwide and typically cover hotels, restaurants, casinos, other hospitality facilities, and airports. Beginning in San Francisco, California, labor peace agreements have spread rapidly and now exist in at least 11 states.

Other cities such as Los Angeles have adopted requirements for future concessions contractors that they have entered into agreements with unions organizing concession workers committing to not engage in strikes or boycotts which would interfere with the locality's proprietary interests in uninterrupted revenues. Workers and unions have legal rights to strike and boycott which means the City cannot directly ban such activities, but unions and workers can enter into binding waivers of such rights in an agreement with the employer.

Fiscal Impact: There is no fiscal impact.

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY ADDING CHAPTER 3.93 RELATING TO PROTECTIONS OF CITY PROPRIETARY INTERESTS FROM LABOR DISRUPTIONS AT AIRPORT AND CONVENTION CENTER

The City Council of the City of Long Beach ordains as follows:

Section 1. Chapter 3.93 is hereby added to the Long Beach Municipal Code to read as follows:

3.93.010 Findings

The City Council hereby finds as follows:

- a. The City receives significant money pursuant to contracts giving it a portion of the revenues from foodservice operations at the Airport and Convention Center. Union activity in this industry is significant. If a union and its members were to engage in picketing, boycotting or striking at such locations, this would adversely impact the City's proprietary interests.
- b. The City cannot lawfully ban unions from engaging in such activities. The most the City can do is refuse to contract with any employer which has not entered into an agreement with a union promising labor harmony going forward.
- c. Numerous other airport operators have required labor peace agreements and their experience has been positive.
- d. Requiring such an agreement would be in the City's proprietary interests. That is the sole reason for the City Council's adoption of this Chapter.

3.93.020. Requirement for Labor Harmony Agreement

- a. The City shall not enter any future contracts which will result in the provision of foodservice at the Airport or Convention Center unless the contracting party has first presented written proof to City staff of having entered into a binding agreement with each labor organization actively representing workers in this industry which contains a provision prohibiting the labor organization and its members from picketing, work stoppages, boycotts or other economic interference with such operation for the duration of the agreement with the City. All of the contractor's subcontractors, tenants, subtenants, lessees and sublessees on the City-owned premises must have such an agreement.
- b. Nothing herein applies to the provision by an airline of food or beverage to passengers while on board an airplane. Nothing herein requires an employer already be unionized at the time it seeks a contract with the City, nor mandates employees choose to unionize. Nothing herein requires an employer make any particular promise in order to secure a labor harmony agreement: that is left by the City up to the contracting parties to negotiate.

Section 2. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first day after it is approved by the Mayor.

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of ____ 2013 by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Approved: _____

Mayor