



City of Long Beach

Working Together to Serve

Memorandum

Date: November 22, 2006

To: Larry Herrera, City Clerk

From: Michael J. Mais, Assistant City Attorney, Ext. 82230 *MJ*

Subject: Labor Peace Ordinance as revised by Councilmembers

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The subject document has been prepared as was revised on the floor of the November 21, 2006 City Council meeting and is transmitted for placement on the December 12, 2006 agenda for second reading.

If you have any questions, please do not hesitate to contact me.

MJM:kjm

Encls.

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#05-04782

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AMENDING THE LONG BEACH
MUNICIPAL CODE BY ADDING CHAPTER 16.58 RELATING
TO LABOR PEACE AGREEMENTS FOR HOTELS ON CITY-
OWNED PROPERTY

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

Section 1. The Long Beach Municipal Code is amended by adding
Chapter 16.58 to read as follows:

Chapter 16.58

Labor Peace Agreements for Hotels on City-Owned Property

16.58.010 Purpose.

The City of Long Beach has a financial and proprietary interest in hospitality operations that lease real property from the City. These operations base their lease, rental or license payments to the City in part on the revenue they generate. Therefore, it is essential that these operations conduct business efficiently and without interruption. The City has found that the efficient and uninterrupted operation of hospitality operations may be threatened by labor disputes. The City's investment in these operations must be shielded from any impact that labor disputes may have on the revenue of these hospitality operations. The City has further found that the City can only protect its investment by requiring its hotel operations lessees to sign contracts with the labor organizations that represent employees in the hospitality industry. These contracts will

1 prohibit the labor organizations and its members from engaging in
2 picketing, work stoppages, boycotts or other economic interference with
3 the business of the hospitality operators, for the duration of their lease
4 with the City.

5
6 16.58.020 Definitions.

7 A. "City" means the City of Long Beach.

8 B. "City Council" means the City Council of the City of Long Beach.

9 C. "Hospitality Operations" means the general business operations
10 of a hospitality operator.

11 D. "Hospitality Operations Lessee" means any company with a
12 lease from the City for a hotel or motel, providing lodging and other guest
13 accommodations.

14 E. "Hospitality Workers" means all full-time and part-time
15 employees in a Hospitality Operation, except supervisors, managers and
16 guards.

17 F. "Labor Organization" means an organization of any kind, or an
18 agency or employer representation committee or plan, in which
19 employees participate and which exists for the purpose, in whole or in
20 part, of dealing with employers concerning grievances, labor disputes,
21 wages, rates of pay, hours of employment, or conditions of work.

22 G. "Lease" means any lease or license from the City to use any
23 City property for Hospitality Operations.

24 H. "Lease Amendment" means any amendment approved by the
25 City Council that:

26 1. extends the term of an existing lease for a period of more
27 than one (1) year;

28 2. approves a reduction in rent for the then existing

1 tenant/operator; or

2 3. permits an expansion of the existing hotel or motel
3 operation in order to add additional rooms, or to make structural changes
4 to add additional square footage for amenities such as, but not limited to,
5 banquet or convention facilities.

6 I. "Lease Assignment" means any action approved by the City
7 Council which approves the transfer of a lease to a new hotel or motel
8 operator having no affiliation with the City's previous tenant. An
9 assignment shall not be deemed to have occurred if the tenant/operator
10 seeks an assignment of the leasehold interest to:

- 11 1. a wholly owned subsidiary of the tenant/operator,
12 2. a limited liability company in which the tenant/operator is
13 a managing member,
14 3. a partnership in which the tenant/operator is a general
15 partner,
16 4. an assignment to any entity which acquires all or
17 substantially all of the stock or assets of the tenant operator, or
18 5. a lender for financing purposes.

19 J. "No-Strike Pledge" means a provision in a labor peace
20 agreement prohibiting the Labor Organization and its members from
21 engaging in picketing, work stoppages, boycotts or any other economic
22 interference with Hospitality Operations of a Hospitality Operations
23 Lessee for the duration of the City lease term.

24 K. "Person" means a sole proprietorship, partnership, corporation,
25 joint venture or business organization of any kind.

26
27 16.58.030 No-Strike Pledge requirement for hospitality operations.

28 The City shall not execute any new Lease, Lease Amendment, or

1 Lease Assignment with a Hospitality Operations Lessee unless and until
2 the Hospitality Operations Lessee has signed a labor peace agreement
3 with any Labor Organization seeking to represent Hospitality Workers at
4 the premises covered by the Lease. Each labor peace agreement must
5 contain a No-Strike Pledge. A Hospitality Operations Lessee shall be
6 relieved of the obligations of this section with respect to a Labor
7 Organization if the Labor Organization places conditions upon its No-
8 Strike Pledge that the City Council finds, after notice and hearing, to be
9 arbitrary or capricious.

10
11 16.58.040 Limitations.

12 A. Nothing in this ordinance requires Hospitality Operations
13 Lessee to recognize a particular Labor Organization.

14 B. This ordinance is not intended to, and shall not be interpreted
15 to, enact or express any generally applicable policy regarding labor-
16 management relations or to regulate those relations in any way.

17 C. This ordinance is not intended to favor any particular outcome
18 in the determination of employee preference regarding union
19 representation.

20 D. Nothing in this ordinance permits or requires the City or any
21 Hospitality Operations Lessee to enter into any agreement in violation of
22 the National Labor Relations Act of 1935, approved July 5, 1935 (49 Stat.
23 449; 29 U.S.C.S. §151, *et seq.*).

24
25 Sec. 2. The City Clerk shall certify to the passage of this ordinance by the
26 City Council and cause it to be posted in three conspicuous places in the City of Long
27 each, and it shall take effect on the thirty-first day after it is approved by the Mayor.

28 //

Robert E. Shannon
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333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of _____, 2006, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

Approved: _____

Mayor

MJM:kjm 8/3/06; 11/22/06 #05-04782

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