

EXECUTIVE ORDER No. 19

July 14, 2016

LABOR PEACE FOR RETAIL ESTABLISHMENTS AT CITY DEVELOPMENT PROJECTS

WHEREAS, the City of New York ("City") has a financial and proprietary interest in contracts with firms seeking to undertake economic and housing development projects;

WHEREAS, the City's investments in such projects represent significant City actions, and the City must make prudent and efficient decisions to maximize benefits and minimize risks associated with such actions;

WHEREAS, a labor dispute at an economic or housing development project may result in interrupted services and a threat to the project's viability and financial health;

WHEREAS, a labor peace agreement can protect the City from such disruptions; and WHEREAS, the retail industry constitutes a vital sector of the City's economy and the City through its investment in projects that have large retail establishments has a significant and ongoing economic interest in the financial viability and competitiveness of the retail sector;

NOW, THEREFORE, by the power vested in me as Mayor of the City of New York, it is hereby ordered:

Section 1. <u>Definitions</u>. The following capitalized terms shall have the respective meanings specified below for purposes of this Order.

"City Development Project" shall mean a project developed subject to a Project

Agreement for the purpose of improvement or development of real property, economic

development, job retention or growth, or other similar purposes where the project: (a) is expected
to be larger than 100,000 square feet, or, in the case of a residential project, larger than 100 units;
and (b) has received or is expected to receive Financial Assistance.

"City Economic Development Entity" shall have the meaning specified in the Fair Wages for New Yorkers Act (Section 6-134 of the Administrative Code of the City of New York).

"Covered Employee" shall mean a regular full-time or regular part-time employee whose principal place of work will be at a Retail or Food Service Establishment on the premises of the City Development Project; provided that the term "Covered Employee" shall not include supervisors or professional employees, each as defined in the NLRA(29 U.S.C. §§ 152(11) and (12).

"Covered Employer" shall mean any employer operating a Retail or Food Service Establishment on the premises of the City Development Project that (a) employs, or is anticipated to employ upon opening, 10 or more employees and (b) occupies, or is anticipated to occupy, in excess of 15,000 gross square feet on the premises of a City Development Project.

"Financial Assistance" shall have the meaning specified in the Fair Wages for New Yorkers Act (Section 6-134 of the Administrative Code of the City of New York), provided that the determination of whether Financial Assistance has been received shall be made without regard to the availability or applicability of any exemptions under Section 6-134(d) of the Administrative Code of the City of New York.

"Housing Agency" shall mean the New York City Department of Housing Preservation and Development.

"<u>Labor Organization</u>" shall have the same meaning as set forth in the NLRA (29 U.S.C. § 152(5)).

"Labor Peace Agreement" shall mean an enforceable agreement that complies with the requirements of the NLRA between a Covered Employer and a Labor Organization, the terms of which, at a minimum, shall require that the Labor Organization and its members agree to refrain from picketing, work stoppages, boycotts or other economic interference and that the Covered Employer agrees to maintain a neutral posture with respect to efforts by the Labor Organization to represent Covered Employees.

"NLRA" shall mean the National Labor Relations Act, 29 U.S.C. §151 et seg.

"Project Agreement" shall mean a written agreement between a Housing Agency or a City Economic Development Entity on the one hand, and a recipient of Financial Assistance on the other hand, which governs or relates to the provision of such Financial Assistance in respect of a City Development Project.

"Retail or Food Service Establishment" shall mean any retail store selling goods or any food services or drinking establishment providing services, in each case, primarily to members of the general public.

§ 2. <u>Labor Peace Policy</u>. The City shall, in the interest of preventing disruption at City Development Projects and protecting the City's proprietary interest in such projects, require that each recipient of Financial Assistance agree to a "labor peace clause," binding it to require that each current and future Covered Employer operating on the premises of its City Development Project (including such recipient of Financial Assistance, if applicable) enter into a Labor Peace Agreement with a Labor Organization that seeks to represent Covered Employees on the premises of the City Development Project. The labor peace clause shall remain in effect for the

longer of the term of the Financial Assistance or ten years from the later of the date of commencement of the project or the date that the project commences operations.

- § 3. Implementation. The Deputy Mayor responsible for oversight of the City's housing policy shall coordinate with each Housing Agency and City Economic Development Entity that awards Financial Assistance to determine and implement appropriate steps to ensure that the policies set forth in this Order are fully implemented and ensure labor peace at City Development Projects.
- § 4. <u>Conflicts with Other Programs</u>. The Deputy Mayor with jurisdiction over a City Development Project otherwise subject to the requirements of this order may make a specific finding that a particular project contributes to the economic well-being of the City and cannot reasonably be achieved consistent with the requirements of Section 2 of this Order and such Deputy Mayor may exempt specific employers connected with that project from such requirements.
- § 5. Enforcement. Contracts and agreements related to City Development Projects subject to the requirements of this Order shall incorporate provisions to carry out such requirements. Such provisions shall include the right, at the discretion of the Housing Agency or City Economic Development Entity, to impose remedies for breach of the requirements set forth in Section 2 of this Order. The Mayor shall designate an official or officials who shall be responsible for monitoring compliance with such requirements by Covered Employers and recommending appropriate remedies for any breach to the relevant Housing Agency or City Economic Development Entity.
- § 6. <u>Effective Date</u>. This Order shall take effect immediately, provided that its requirements shall not apply to projects authorized or Financial Assistance awarded prior to the effective date of this Order. In addition, this Order may not be applied in a manner that will

interfere with contracts or agreements entered into by any Housing Agency or any City Economic Development Entity prior to the effective date of this Order.

Bill de Blasio

Mayor