

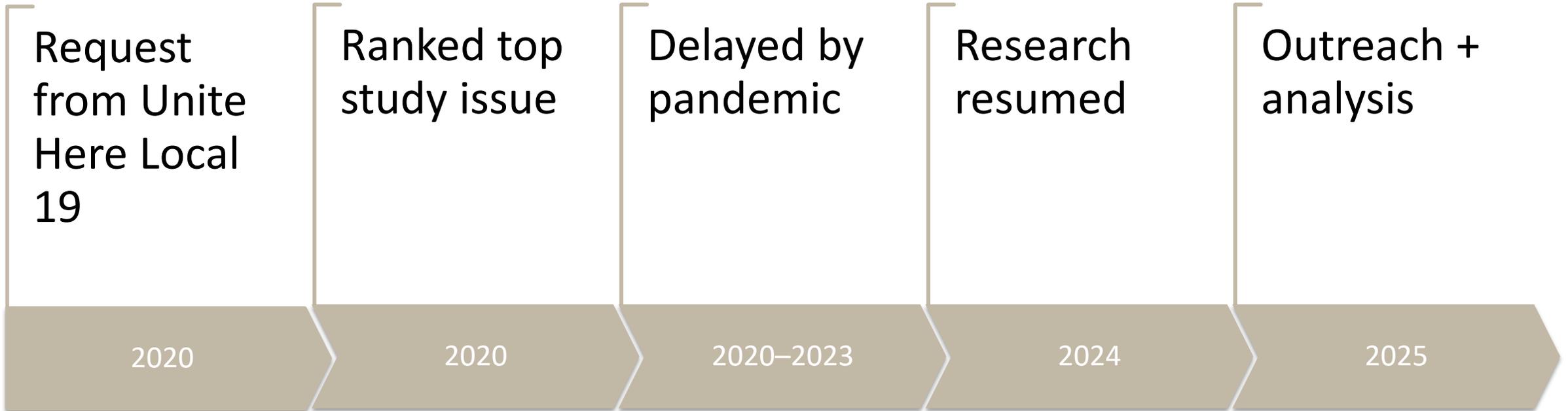


Sunnyvale

# Study Issue OCM 20-01—Service Worker Retention Ordinance

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# Background



# What is a Retention Ordinance?

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Requires successor contractors to retain existing employees for 90 days

Benefits: worker stability, service continuity, institutional knowledge

Typically adopted in large cities with convention centers/event facilities

# Santa Clara Ordinance

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Applies to Employers with 25+ employees, entertainment venues, & Contracts  $\geq$  \$25,000

Key rules: 90-day retention, no dismissal without cause, layoffs by seniority, satisfactory employees offered permanent jobs, & waivers via collective bargaining

# Stakeholder Feedback

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## **Businesses**

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Already practice employee retention voluntarily

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Cost-effective to keep trained staff

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Concerns: underperforming workers, federal contractor conflicts, lack of enforcement

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## **Unite Here Local 19**

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Supports Santa Clara-style ordinance

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Ordinance will provide meaningful worker protections

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Stated other cities have similar ordinance; no examples provided

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# Analysis

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Sunnyvale lacks convention centers/large event facilities



Retention already required in some City contracts (Solid Waste)



Existing protections:  
Minimum Wage,  
Wage Theft Policy,  
Local Hire rules



No mechanism to monitor/enforce private contractor changes



Risk: confusion + lawsuits without measurable benefits

# Recommendation

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Do not adopt Service Worker Retention Ordinance; close Study Issue OCM 20-01

- ◆ Sunnyvale lacks facilities where ordinance is relevant
- ◆ Businesses already retain workers voluntarily
- ◆ No practical enforcement mechanism