IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS STATE OF MISSOURI

THE STATE OF MISSOURI ex rel
THE ST. LOUIS LIVING WAGE
CAMPAIGN; ACORN; SERVICE
EMPLOYEES INTERNATIONAL UNION
LOCAL 880; SERVICE EMPLOYEES
INTERNATIONAL UNION LOCAL 1001;
BARBARA JONES; and MICHAEL
CHATMAN,

Cause No.

Division No.

Petitioners / Relators,

v.

CLARENCE HARMON, in his official capacity as Mayor of the City of St. Louis; and THE CITY OF ST. LOUIS,

Respondents.

Serve:

Thomas J. Ray
City Counselor
St. Louis City Hall
1200 South Market Street, Room 314
St. Louis, MO 63103

PETITION FOR DECLARATORY JUDGMENT AND MANDAMUS

1. This is an action to compel Mayor Clarence Harmon and the City of St. Louis to enforce the St. Louis Living Wage Law within the St. Louis Community Improvement District ("CID"), which comprises much of the St. Louis downtown area. After the voters of St. Louis enacted the St. Louis Living Wage Law, City of St. Louis Ordinance No. 65045, on August 8, 2000 by a wide 77%-23% margin, Mayor Harmon announced that the City would refuse to

enforce this new popularly enacted measure within the boundaries of the CID based on an erroneous assertion that the new law conflicts with state law. Because the Mayor's refusal to enforce the popularly enacted St. Louis Living Wage Law lacks legal justification, the St. Louis Living Wage Campaign and other petitioners bring this action seeking a declaratory judgment that the St. Louis Living Wage Law is valid and enforceable both within the St. Louis CID and elsewhere and a writ of mandamus ordering Mayor Harmon and the City of St. Louis to enforce the St. Louis Living Wage Law.

JURISDICTION AND VENUE

- 2. This court has jurisdiction over the subject matter of this action pursuant to Mo. Const. art. 5, § 14 and Mo. R. Civ. Pro. 87 and 94.
- 3. Venue is proper in this court pursuant to Mo. St. § 508.050, which provides that suits against a municipal corporation may be commenced in a county in which the corporation is situated.

PARTIES

PETITIONERS / RELATORS

4. Peititioner / Relator THE ST. LOUIS LIVING WAGE CAMPAIGN ("Living Wage Campaign") is an unincorporated association of community, labor and religious organizations, as well as low-wage workers and their families, that came together for the common purpose of establishing a living wage law for the City of St. Louis. The Living Wage Campaign drafted the St. Louis Living Wage ballot initiative, gathered voter signatures sufficient to place the initiative on the August 2000 ballot, and helped educate the public about the proposal. On August 8, St. Louis voters enacted the measure by a commanding 77%-23%

margin, and since then the Living Wage Campaign has worked to monitor the City's plans for implementing and enforcing the St. Louis Living Wage Law. In addition to being the primary authors of and lead advocates for the St. Louis Living Wage Law, the Living Wage Campaign and its members represent the interests of low-wage workers in the greater St. Louis region who will be entitled to begin receiving higher wages and benefits under the new law. The offices of the Living Wage Campaign are located at 4304 Manchester Avenue, St. Louis, Missouri 63110.

- 5. Peititioner / Relator the ASSOCIATION OF COMMUNITY ORGANIZATIONS FOR REFORM NOW (ACORN) is a not-for-profit corporation organized under the laws of the State of Arkansas and registered to do business in the State of Missouri. Active in Missouri since the early 1970's, ACORN is a membership organization comprised of low-income persons from throughout the St. Louis area and across the state of Missouri who have joined together to support low-wage workers in their efforts to provide for their families. In addition to working on issues such as affordable housing and campaign finance reform, ACORN promotes policies aimed at helping working people in Missouri earn a decent living and support their families. ACORN is a member of the Steering Committee of the St. Louis Living Wage Campaign and worked actively to help win enactment of the new law. ACORN represents the interests of low-wage workers in the greater St. Louis region who will be entitled to begin receiving higher wages and benefits under the new law. The Missouri offices of ACORN are located at 4304 Manchester Avenue, St. Louis, Missouri 63110.
- 6. Peititioner / Relator SERVICE EMPLOYEES INTERNATIONAL UNION
 (SEIU) LOCAL 880 is a labor organization that operates in the greater St. Louis area, as well as elsewhere in Missouri and Illinois. SEIU Local 880's membership is comprised of hard-working

residents of Missouri and Illinois employed in the healthcare field and other service sectors.

SEIU Local 880 is committed to promoting the welfare of all working Missourians by supporting low-wage workers in their efforts to earn a living wage. SEIU Local 880 is a member of the Steering Committee of the St. Louis Living Wage Campaign. The offices of SEIU Local 880 are located at 4304 Manchester Avenue, 2nd floor, St. Louis, Missouri 63110.

- 7. Peititioner / Relator SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) LOCAL 1001 is also a labor organization that operates in the greater St. Louis metropolitan as well as elsewhere in Missouri. Like SEIU Local 880, Local 1001's membership is comprised of low-wage workers in the healthcare field and other service sectors. SEIU Local 1001 is committed to promoting the welfare of all working Missourians by supporting low-wage workers in their efforts to earn a living wage. SEIU Local 1001 is also a member of the Steering Committee of the St. Louis Living Wage Campaign. The offices of SEIU Local 1001 are located at 5585 Pershing, St. Louis, Missouri 63112.
- 8. Peititioner / Relator BARBARA JONES is a 55-year-old grandmother of seven who is employed by Archway Building Maintenance, Inc. ("Archway"). Archway is a janitorial services firm that, under a contract with the City of St. Louis, provides cleaning services for certain City-owned buildings. Ms. Jones is currently employed by Archway as a janitor at the St. Louis Municipal Courts Building at 1320 South Market Street, which is located within the CID. For her work emptying wastebaskets, cleaning bathrooms, and sweeping and mopping floors, Archway pays Ms. Jones \$9.26 per hour and does not offer her company-paid medical coverage. If, as is expected, Archway's contract with the City is renewed in the future, the St. Louis Living Wage Law will require as a condition of the new contract that Archway must pay Ms. Jones and

its other employees that perform work for the City the higher "living wage" specified in the law. As explained below, the "living wage," which is indexed to the federal poverty guidelines and health benefit rates for City employees, is currently approximately \$10.76 an hour for employees like Ms. Jones who are not provided "fully paid comprehensive family medical coverage" by their employer. The City's refusal to follow and enforce the St. Louis Living Wage Law in its future contracts with City contractors such as Archway that operate within the CID will have the effect of wrongly denying Ms. Jones this pay increase. This denial will cause real economic hardship for Ms. Jones. Although she also works a second job, Ms. Jones subsists on an extremely modest income. She has no health insurance and is forced to rely on the public health system for coverage and to borrow money when she needs to purchase medicine. Ms. Jones resides at 2818 North Union Boulevard, St. Louis, Missouri 63115.

9. Peititioner / Relator MICHAEL CHATMAN is 49 years old and is also employed by Archway as a janitor at the St. Louis Municipal Courts Building. Like Ms. Jones, Archway pays Mr. Chatman \$9.26 per hour and does not provide him company-paid medical coverage. Like Ms. Jones, Mr. Chatman is entitled to begin receiving a raise to approximately \$10.76 per hour once Archway's contract with the City comes up for renewal and the City's refusal to enforce the St. Louis Living Wage Law against City contractors that operate within the CID will have the effect of wrongly denying Mr. Chatman this badly needed pay increase. Mr. Chatman resides at 4422A Normandy Trace Drive, St. Louis, Missouri 63121.

RESPONDENTS

10. Respondent CLARENCE HARMON, acting in his official capacity, is the Mayor of the City of St. Louis and is the public officer with primary responsibility for ensuring that the

laws of the City of St. Louis are faithfully executed. The Mayor has a nondiscretionary ministerial duty to enforce all valid laws duly enacted by the voters or lawmakers of the City of St. Louis.

11. Respondent CITY OF ST. LOUIS is a municipal corporation established pursuant to Mo. Const. art. VI, § 31 and other laws. The City of St. Louis has a nondiscretionary ministerial duty to enforce all valid laws duly enacted by the voters or lawmakers of the City of St. Louis.

FACTS

- 12. On August 8, St. Louis voters approved the St. Louis Living Wage Law, St. Louis City Ordinance no. 65045, by a 77%-23% margin, easily providing the simple majority needed in order for the initiative to become law. The St. Louis Living Wage Law requires that, after its effective date, all future City service contracts extended to firms that receive at least \$50,0000 worth of contracts per year must be conditioned on the recipient's complying with wage and benefit standards specified in the Living Wage Law. The Living Wage Law requires the same for all future City agreements awarding subsidies to firms that benefit from \$100,000 or more of financial assistance each year.
- 13. Under the Living Wage Law, those employers that choose to enter into new large service contracts or financial assistance agreements with the City must in return provide a "living wage" to their employees who perform the City-contracted services or who work in connection with the City-assisted project. The Living Wage Law defines a "living wage" as "an hourly wage which on an annual basis (based on forty hours per week, fifty two weeks per year) is equivalent to 130% of the federal poverty guidelines for a family of three, updated annually in

the Federal Register by the U.S. Department of Health and Human Services, if health benefits are provided" *see* St. Louis Living Wage Initiative § 3(b) — a rate currently equal to \$ 8.84 per hour. If the employer elects not to provide its employees "fully paid comprehensive family medical coverage," the law requires the employer to pay an extra wage supplement equal in value to the hourly health benefits rate for St. Louis City workers covered under the St. Louis prevailing wage law, CODE OF CITY OF ST. LOUIS (REV'D), ch. 6.20, *see id.* at § 3(c). That figure is currently approximately \$1.92 per hour worked, meaning that the current living wage rate for covered employers who choose not to provide employer-paid medical coverage is approximately \$10.76 per hour.

- 14. In enacting the Living Wage Law, the City of St. Louis has joined a national movement which now includes most major American cities. Since 1994, over fifty localities nationwide have enacted living wage ordinances as a means of improving the lives of working people. Focusing on local government's role in purchasing services from private vendors and in choosing to distribute grants and subsidies to private entities that is to say, the city's role as a market participant rather than a market regulator living wage laws typically require the municipal government to include a living wage requirement as a term of any large service contracts or subsidy agreements into which it enters.
- 15. The rapid proliferation of living wage legislation in recent years reflects the conviction of lawmakers and taxpayers alike in cities across the country that local government generally receives better quality services when its contractors' employees are not paid poverty wages. Equally importantly, lawmakers and taxpayers are increasingly concluding that it is does not make sense to grant scarce municipal economic development assistance to employers that

offer nothing more than minimum wage jobs. During this period of economic growth, minimum wage jobs are plentiful but better-paying jobs for less skilled workers are not. Cities and taxpayers therefore are increasingly targeting their economic development assistance to employers who can commit to creating better paying jobs for local residents. Thus, in order to ensure better quality services by contracted workers and to target subsidies so as to create better paying jobs, more and more local governments are electing to include wage standards in both their municipal contracts and subsidy agreements in the same way that private parties may do when they enter into contracts or agreements.

- 16. Despite its endorsement by 77% of St. Louis voters, on September 1, 2000, Mayor Harmon announced that the City would refuse to enforce the St. Louis Living Wage Law in the downtown area of the City that, pursuant to the Missouri Community Improvement District Act of 1998, Mo. STAT. ANN.§ 527.010, has been designated St. Louis's Community Improvement District.
- 17. Because the City's refusal to enforce the new St. Louis Living Wage Law in the CID is without legal justification, petitioners / relators have been forced to initiate this action.

CLAIM FOR DECLARATORY JUDGMENT AND MANDAMUS

18. As the city's highest elected officer, Mayor Harmon is charged with the nondiscretionary ministerial duty to enforce all duly enacted and valid laws of the City of St. Louis. The City of St. Louis in its corporate form has a similar responsibility.

- 19. Mayor Harmon announced that the City would refuse to apply the St. Louis Living Wage Law to otherwise covered City service contracts or financial assistance agreements where those employers operate within the City's CID.
- 20. The City has stated that this refusal is based on a belief that Section 67.1571 of the CID Act of 1998, Mo. STAT. ANN. § 67.1571 ("Section 67.1571"), forbids cities in Missouri from setting wage standards for their contractors or subsidy recipients that operate in a CID. Section 67.1571 provides, in the context of the CID Act, that "No municipality . . . shall establish, mandate or otherwise require a minimum wage that exceeds the state minimum wage "
- 21. The City's refusal to enforce the St. Louis Living Wage Law against otherwise covered firms that happen to operate within the CID is without legal justification. Section 67.1571 forbids Missouri cities from altering the state's across-the-board minimum wage by enacting conflicting general minimum wage laws. It does not, however, prevent a Missouri city such as St. Louis from complying with a popularly enacted local measure requiring the inclusion of a wage standard as a term of municipal service contracts or as a condition of financial assistance grant agreements.
- 22. State and local governments across the country are increasingly recognizing that including such wage standards in public contracts and grants of financial assistance makes good fiscal sense, and the City of St. Louis itself has for many years imposed prevailing wage standards as terms of municipal contracts.
- 23. As Section 67.1571 thus does not conflict with the St. Louis Living Wage Law, the announced refusal of Mayor Harmon and the City of St. Louis to apply this duly enacted law

to otherwise covered city service contractors and financial assistance recipients that operate within the City's CID contravenes respondents' nondiscretionary ministerial duty to ensure that

the laws of the City of St. Louis are faithfully executed.

REQUEST FOR RELIEF

WHEREFORE, Petitioners / Relators respectfully request that this Court grant this

petition, enter judgment in their favor, and issue an order:

a. Declaring that the St. Louis Living Wage Law is valid and enforceable as

against all covered employers that choose to accept new service contracts or grants of financial

assistance from the City of St. Louis after the effective date of the Living Wage Law, regardless

whether they operate within the St. Louis CID;

b. Granting a writ of mandamus to compel Mayor Clarence Harmon and the

City of St. Louis to enforce the St. Louis Living Wage Law as against all such covered

employers, regardless whether they operate within the St. Louis CID; and

c. Granting such other equitable and further relief as the Court deems just,

necessary and proper, including reasonable attorney's fees and costs.

Respectfully Submitted,

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