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ATTORNEYS FOR PLAINTIFFS
JIM LUKE AND GOLDEN STATE ENVIRONMENTAL
JUSTICE ALLIANCE

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

JIM LUKE, an individual, and
GOLDEN STATE
ENVIRONMENTAL JUSTICE
ALLIANCE, a California not-for-
profit corporation,

Plaintiff,

vs.

CITY OF LOS ANGELES, a
California municipal corporation,

Defendant.

Case No.

**COMPLAINT FOR
DECLARATORY AND
INJUNCTIVE RELIEF**

1 Plaintiffs Jim Luke and Golden State Environmental Justice Alliance allege the
2 following on information and belief:

3 **SUMMARY**

4 1. Plaintiffs bring this action against the City of Los Angeles because the
5 “Build Better LA” law adopted by ballot measure in November 2016 gives preferences
6 to the hiring of local construction workers in violation of the constitutional rights of
7 potential workers (including Plaintiff Jim Luke) living elsewhere. The Commerce
8 Clause and the Privileges and Immunities Clause of the U.S. Constitution, and
9 provisions of the California state constitution, prohibit such discriminatory “local hire”
10 laws.

11 **JURISDICTIONAL ALLEGATIONS**

12 2. The Court has jurisdiction over this matter which arises under the
13 Commerce Clause, the Fourteenth Amendment, and the Privileges and Immunities
14 Clause of the United States Constitution, pursuant to 28 U.S.C. §§ 1331 and 1343, and
15 42 U.S.C. § 1983. This Court also has jurisdiction pursuant to 42 U.S.C. § 1332 based
16 on diversity of citizenship.

17 3. Venue lies in this judicial district because Defendant City of Los Angeles
18 maintains offices within this judicial district.

19 **PLAINTIFFS**

20 4. Plaintiff Jim Luke is an Illinois resident who works in construction.

21 5. Plaintiff Golden State Environmental Justice Alliance is a California not-
22 for-profit corporation which has advocated for, among other things, better job-training
23 programs for workers in lower-employment areas across the United States.

24 **DEFENDANTS**

25 6. Defendant City of Los Angeles is a California municipal corporation.
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FACTUAL ALLEGATIONS

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2 7. In November 2016, a ballot initiative entitled “Build Better LA” was
3 approved by voters in the City of Los Angeles. The initiative is unlawful and
4 unconstitutional.

5 8. The initiative provides that certain residential development projects of 10 or
6 more units are ineligible for general plan amendments or certain zoning changes unless
7 the developer of the project meets new unconstitutional local hiring requirements for
8 construction workers. The initiative limits the Defendant City’s ability to deny or
9 amend projects that satisfy these local hiring requirements, and thus gives a preference
10 to developers who hire locally.

11 9. The initiative also mandates any developer who seeks assistance from the
12 Defendant City’s affordable housing trust fund must comply with these local hiring
13 requirements.

14 10. Section 11.5.1 of the initiative provides that to be eligible for a
15 discretionary General Plan amendment pursuant to Subdivision B of Section 11.5.6 of
16 the initiative or otherwise, or any zone change or height-district change that results in
17 increased allowable residential floor area, density or height, or allows a residential use
18 where previously not allowed, projects with 10 or more residential dwelling units shall
19 comply with the job standards in subdivision Section 11.5.1(i).

20 11. Section 11.5.1(i) provides that all building and construction work on the
21 project will be performed at all tiers by contractors which must make a good-faith effort
22 to ensure that at least 30% of all their respective workforces’ construction workers’
23 hours of Project Work shall be performed by permanent residents of the City of Los
24 Angeles of which at least 10% of all their respective workforces’ construction workers’
25 hours of Project Work shall be performed by Transitional Workers whose primary place
26 of residence is within a 5-mile radius of the covered project. The initiative thus provides
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1 an unconstitutional incentive for private contractors to discriminate in hiring
2 construction workers against out-of-state residents.

3 12. Section 5.522 of the initiative creates with the Defendant City an
4 Affordable Housing Trust Fund.

5 13. Section 5.522(h) of the initiative provides that all building and construction
6 work on a project assisted by the Affordable Housing Trust Fund will be performed at
7 all tiers by contractors who must make a good-faith effort to ensure that at least 30% of
8 all their respective workforces' construction workers' hours of Project Work shall be
9 performed by permanent residents of the City of Los Angeles of which at least 10% of
10 all their respective workforces' construction workers' hours of Project Work shall be
11 performed by Transitional Workers whose primary place of residence is within a 5-mile
12 radius of the covered project.¹ The initiative thus provides an unconstitutional incentive
13 for private contractors to discriminate in hiring construction workers against out-of-state
14 residents.

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21 ¹ "Transitional Worker" means an individual who, at the time of
22 commencing work on the project, resides in an Economically Disadvantaged
23 Area or Extremely Economically Disadvantaged Area and faces at least two of
24 the following barriers to employment: (1) being homeless; (2) being a custodial
25 single parent; (3) receiving public assistance; (4) lacking a GED or high school
26 diploma; (5) having a criminal record or other involvement with the criminal
27 justice system; (6) suffering from chronic unemployment; (7) emancipated from
28 the foster care system; (8) being a veteran; or (9) being an apprentice with less
than 15% of the apprenticeship hours required to graduate to journey level in a
program.

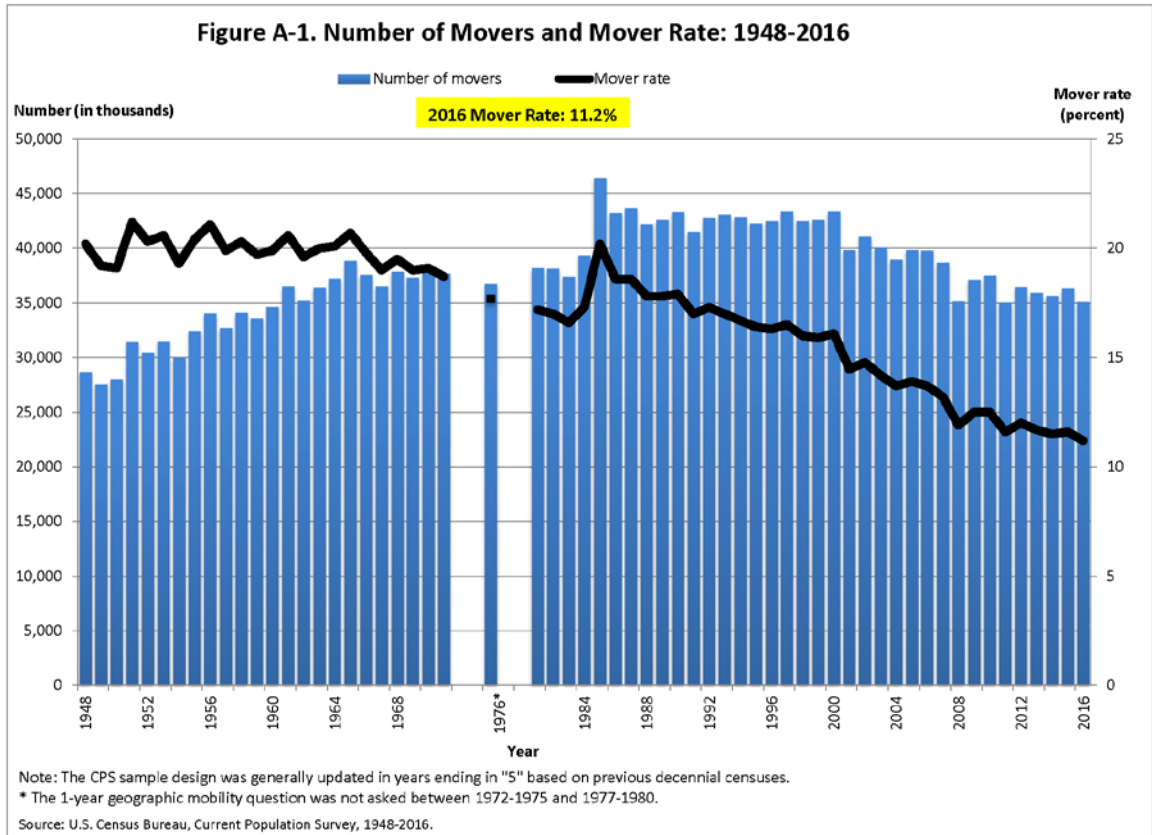
1 19. The provisions of the initiative are thus preempted by the Supremacy
2 Clause of the United States Constitution. The initiative interferes with and is contrary to
3 federal law, federal regulation, the Commerce Clause, the Equal Protection Clause, and
4 the Privileges and Immunities Clause. Compliance with both federal and state law is
5 impossible.

6 20. The initiative fails to achieve its stated goal, which is to ease the tight
7 housing market in Los Angeles, because it compels persons who wish to work on certain
8 construction projects to relocate to the City and thereby compete with existing residents
9 for the available housing stock.

10 21. By imposing a “local hire” requirement on developers, this will limit the
11 number of out-of-state developers willing to undertake projects in Los Angeles. This
12 will increase the cost of housing. Not only is this bad public policy, it is
13 unconstitutional.

14 22. The U.S. Census Bureau has recorded for some a steadily declining rate of
15 Americans moving from one state to another. This declining mobility means fewer
16 Americans in economically depressed areas are moving to areas which are more
17 economically vibrant.

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23. Laws such as the ballot initiative at issue in this case exacerbate this problem by in effect closing California’s border to out-of-state workers.

24. Each legal and/or constitutional violation set forth in this Complaint also violates the Civil Rights Act, 42 U.S.C. § 1983.

INJUNCTIVE AND DECLARATORY RELIEF

25. If this Court allows the Defendant to discriminate against out-of-state workers, Plaintiffs’ injuries will be great, immediate, and irreparable, and they will have no plain, adequate or speedy relief at law or otherwise. Accordingly, Plaintiffs request

1 that this Court temporarily, preliminarily, and permanently enjoin the implementation of
2 the initiative and the payment of any money under it.

3 26. Declaratory relief is authorized by 28 U.S.C. §§ 2201 and 2202 and
4 Federal Rules of Civil Procedure 57. An actual and justiciable controversy exists
5 regarding the validity of the initiative. Plaintiffs contend that the initiative violates
6 provisions of the United States Constitution, while the Defendant contends that the
7 initiative is valid in all respects.

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10 **PRAYER**

11 27. WHEREFORE, Plaintiffs pray for judgment as follows:

- 12 1. For an Order declaring the initiative, and any sections of the
13 Defendant City's municipal code adopted pursuant to the
14 initiative, to be void and invalid;
- 15 2. For Orders temporarily, preliminarily, and permanently enjoining
16 the Defendant from implementing the initiative and paying any
17 monies under it;
- 18 3. For the costs of this suit, including reasonable attorneys' fees
19 incurred by Plaintiffs, pursuant to 42 U.S.C. § 1988, or other
20 applicable provisions; and,
- 21 4. For such other relief as this Court may deem just and proper.

22 Dated: March 17, 2017

Blum | Collins LLP

/s/Craig M. Collins

25 **CRAIG M. COLLINS**
26 Attorney for Plaintiffs