

**§ 17-107. Contractors: Labor-Management Relationships. 42**

(1) Definitions. In this Section, the following definitions apply: 43

(a) Board. The Board of Labor Standards.

(b) City-Work. All building or construction work under a contract with the City, for compensation that exceeds two thousand dollars (\$2,000), including repair, alteration and remodeling done on behalf of the City under a contract awarded by the City; and all offsite fabrication of sheet metal ducts or similar sheet metal products for heating, ventilating, and air-conditioning systems produced as non-standard items for such work; and all other non-professional service contracts with the City for compensation that exceeds two hundred thousand dollars (\$200,000), or in the case of building service contracts for compensation that exceeds one hundred thousand dollars (\$100,000); and subcontracts of all or a portion of such non-professional service contracts. 44

(c) Competent and First Class Workmen and Mechanics. Only those workmen and mechanics who are duly skilled in their respective fields and who receive no less than the prevailing wages and are given no less than prevailing working conditions.

(d) Building Service Employee. A person performing work in connection with the care and maintenance of a building or property, including but not limited to watchman, guard, doorman, building cleaner, janitor, custodian, porter, maintenance person, handyman, elevator operator or starter, window cleaner, desk clerk, housekeeper, gardener, groundskeeper and cleaner of public property or the public right-of-way. 45

(e) Building Service Contract. Any contract for the provision of services performed by building service employees, and includes any subcontracts for such services. 46

(f) Contractor. Any employer who has been awarded a contract for City-work.

(g) Contract or Contracts. A Contract or Contracts for the performance of City-work entered into by the City with any contractors and all contracts entered in between such contractors and subcontractors for such work.

(h) Non-professional Service Contracts. Contracts for the provision of the following non-professional services only: landscaping; building care and maintenance; custodial/janitorial housekeeping; security guard service; demolition; snow removal; stucco; roof capping; furniture moving; locking systems and repairs; mechanical/HVAC maintenance and repairs; elevators, escalators, and electrical maintenance and repair, and subcontracts of all or a portion of such contracts. Non-professional services performed under the terms of a professional service contract, whether directly or by reason of a subcontract, shall be subject to this Section if the compensation for non-professional services under the prime contract exceeds two hundred thousand dollars (\$200,000); or in the case of building service contracts the compensation for building services under the prime contract exceeds one hundred thousand dollars (\$100,000). 47

(i) Director. Such official as the Mayor shall designate to be in charge of the Unit.

(j) Employee. Any workman, mechanic, or building service employee of an employer who is performing city-work. 48

(k) Employer. Any person who is a party to a contract or subcontract for the performance of any city-work.

(l) Occupational Classification. The specific categories of jobs within a given craft, trade, service or industry for which a separate hourly wage rate for the Philadelphia area is determined by the Secretary of Labor of the United States, in accordance with the provisions of the Davis-Bacon Act, 40 U.S.C. §§ 276a et seq., the Service Contract Act, 41 U.S.C. § 351, or other related acts. Where no relevant category is available, the term shall mean the specific categories of jobs within a given service or industry which, in the opinion of the Director, are recognized in such service or industry as sufficiently distinct so as to merit a separate hourly wage rate.

(m) Prevailing Wages.

(.1) With respect to each classification of building service employee, as follows: The aggregate of (a) the greater of (i) the wage paid to the majority (more than 50 percent) of workers in the classification at similar locations in the City of Philadelphia, or, if the same wage is not paid to a majority of those employed in the classification, the average of the wages paid weighted by the total employed in the classification at similar locations; provided that the Director is authorized to determine a reasonable approximation of the foregoing or (ii) the wages determined by the Secretary of Labor under the Service Contract Act, 41 U.S.C. § 351 et seq. for that classification; and (b) the greater of the additional benefits provided to the majority (more than 50 percent) of workers in the classification at similar locations in the City of Philadelphia, or the additional benefits determined by the Secretary of Labor for the job classification under the Service Contract Act, 41 U.S.C. § 351 et seq. for that classification, for which a monetary equivalent may be determined. 49

(.2) With respect to any other occupational classification for which the Secretary of Labor of the United States has calculated a prevailing wage pursuant to the Davis-Bacon Act, 40 U.S.C. §§ 276a et seq., as follows: The aggregate of (a) the hourly wage for the respective occupational classifications within a given craft, trade or industry for the Philadelphia area, determined by the Secretary of Labor of the United States in accordance with the provisions of the Davis-Bacon Act; provided, however, that during the period of any substantial work stoppage involving rates of wages in a given craft, trade or industry, such wages for such craft, trade or industry shall be those as last so determined by the Secretary of Labor prior to such work stoppage and (b) the additional benefits, for which a monetary equivalent may be determined, and which are given employees pursuant to a bona fide collective bargaining agreement for such craft, trade or industry in the Philadelphia area, or the monetary equivalent of such benefits. 50

(.3) With respect to all other occupational classifications, as follows: The aggregate of (a) the greater of (i) the wage paid to the majority (more than 50 percent) of the workers in the classification on similar projects in the Philadelphia area, or, if the same wage is not paid to a majority of those employed in the classification, the average of the wages paid weighted by the total employed in the classification; provided that the Director is authorized to determine a reasonable approximation of the foregoing or (ii) the wages determined by the Secretary of Labor under the Service Contract Act, 41 U.S.C. § 351 or other related acts for that classification; and (b) the additional benefits, for which a monetary equivalent may be determined, and which are given employees pursuant to a bona fide collective bargaining agreement for such service in the Philadelphia area, or the monetary equivalent of such benefits. 51

(.4) With respect to the calculation of prevailing wage rates for occupational classifications defined in subsection (.2) above, the Director may ascertain and consider the wage rates and employee benefits established by collective bargaining agreements. Where such collective bargaining agreements establish a series of wage rates over multiple years, the Director shall issue a multi-year wage determination with respect to wages for the corresponding classification of employees for each year covered by the terms of the relevant collective bargaining agreements.52

(n) Prevailing Working Conditions. The conditions other than those covered by prevailing wages as used herein, which are given employees pursuant to a bona fide collective bargaining agreement for the respective craft, trade or industry in the Philadelphia area. Prevailing Working Conditions shall only be applicable to City-work relating to building or construction work.

(o) Unit, or Philadelphia Labor Standards Unit. Such officers or personnel as the Mayor may designate to perform the functions assigned by this Section to the Unit, or to report to the Director in furtherance of the duties assigned to him or her.

(p) City. The City of Philadelphia. 53

(q) City Agency. The City of Philadelphia, its departments, boards and commissions. 54

(r) City-related Agency. 55 All authorities and quasi-public corporations which either:

(i) receive appropriations from the City; or

(ii) have entered into continuing contractual or cooperative relationships with the City; or

(iii) operate under legal authority granted to them by City ordinance.

(s) Similar Locations. 56 All commercial office buildings of at least 50,000 square feet located in the City of Philadelphia.

(2) Contracts.

(a) The specifications for all city-work contracts shall contain a provision stating the minimum wages to be paid for each occupational classification of employees. Such minimum wages shall be the prevailing wages as defined herein for the corresponding classification of employees. If, prior to the execution of the city work contract, the Director has issued a multi-year wage determination for the corresponding classification of employees, the city work contract shall also contain a provision mandating that the contractor and each subcontractor shall pay each affected worker any new prevailing wage rate, as of the first date on which the new prevailing wage rate is effective. 57

(b) Every City-work contract shall contain a provision that all employees performing city-work other than apprentices and job trainees as provided below shall be paid at least the applicable prevailing wages and given at least the applicable working conditions; and that, upon any violation of this Section or any regulations promulgated hereunder, the City may withhold any sums remaining due on the contract until such time as the violation is remedied or, if the violation is not remedied promptly, the City may make such payments directly to affected employees, out of withheld sums, as may be necessary to remedy the violation. For employees other than building service employees, the applicable prevailing wages shall be the prevailing wages for journeymen. 58

(.1) An apprentice may be paid less than the prevailing wage, provided that:

(.a) Such apprentice is employed pursuant to, and individually registered in, a bona fide apprenticeship program registered with the United States Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau.

(.b) The ratio of apprentices to journeymen on the job site in any craft classification is not greater than the ratio generally prevailing in the relevant trade, craft or industry in the Philadelphia area, as determined by the Director.

(.c) Such apprentice is paid the full amount of fringe benefits set forth in subsection 17-107(1)(k)(.1)(b), 59 with respect to the definition of prevailing wage.

(.2) A bonafide member of a job training program may be paid less than the prevailing wage if said training program's primary purpose is to provide construction training opportunities and that the said training program has been approved by the City, a City Agency, or City-related Agency, and provided that the size of the construction project does not exceed 8 housing units. 60

(.3) No building service employee shall be or be deemed to be an apprentice or job trainee. 61

(c) Every City-work contract shall contain a provision that the contractor shall require all subcontractors to, and shall itself, comply with and be bound by all the provisions of this Section; and requiring the contractor to attach the applicable wage-rate information to all subcontracts. A violation by any subcontractor shall be deemed a violation by the prime contractor, as well.

(d) Every city-work contract shall contain a provision requiring the contractor to post the applicable prevailing wage rates in an area easily accessible by all employees on each job site.

(e) Every City-work contract shall contain a provision requiring the contractor to submit to the Unit a compilation contractor listing no later than seven (7) days before the starting date of work on any such contract, and to notify the Unit of any changes in the information contained in such listing within five (5) days of any such changes. Such listing shall include, for each contractor and subcontractor working on the contract:

(.1) the name, address, telephone number and contact person.

(.2) The applicable bid number(s).

(.3) Estimated starting and completion dates for each contractor and subcontractor and for all work on the contract, and for each distinct phase of work on the contract.

(.4) The dollar value of each contract and subcontract.

(.5) Each contractor and subcontractor's commercial activity license number and federal tax identification number. 62

(.6) A detailed scope of work to be performed by all subcontractors.

(3) Every contractor and/or subcontractor shall keep an accurate record preserved on employee time sheet or time cards showing the name, address, social security number, occupational classification, wages and other benefits paid or provided, and number of hours worked for each employee assigned to City-work, and such record shall be preserved at the current place of business of the employing contractor or subcontractor for two years from the date of final payment on the contract. The contractor shall maintain and make his or her accounting and employment records and records relating thereto available for inspection by authorized representatives of the Unit, at all reasonable hours, and shall permit such representatives to interview employees during the hours on the job, all without prior notice. No contractor shall allow any employee or other person to interfere with any such inspection or interview.

(a) If fringe benefits are paid into a benefits plan, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan is financially responsible, that the plan has been communicated in writing to the covered employees, and the costs anticipated or the actual costs incurred in providing such benefits.

(b) Contractors employing apprentices under approved programs shall maintain written evidence of the registration of such programs, the registration of the apprentices and the ratios and wage rates prescribed in the applicable programs.

(4) All contractors and subcontractors performing City-work shall, upon commencement of work activity submit certified payrolls through the prime contractor on a weekly basis, not later than seven (7) days after completion of the work week, file with the Unit a copy of payroll Form WH-347 (Weekly Certified Payroll), and a certified statement setting forth (to the extent not included in the Payroll) the name, address, occupational classification, wages and other benefits paid or provided and number of hours worked with respect to each employee performing City-work. The Director may, by regulation, require such information to be submitted in machine-readable form. The certification shall affirm that the statement and payroll are correct and complete, that the wages set forth therein are not less than those required by the contract and this Section for City-work and that the occupational classification set forth for each employee conforms with the work he performed and that each employee, including any apprentices, employed during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 C.F.R. Part 3, relating to contractors on public works projects. The requirements set forth herein shall be contained in every City-work contract.

(a) All payrolls shall bear the applicable bid number(s), and shall be numbered sequentially by each contractor and subcontractor, with the initial payroll on a contract or subcontract marked "Initial", and the final payroll on the contract or subcontract marked "Final".

(b) All certifications and payrolls shall bear the original 63 signature of the president of the company or a company officer with power of attorney.

(5) Employee Complaints.

(a) No person shall take any adverse action against any other person (including discharge or other discrimination in employment) for filing a complaint under this subsection or for otherwise reporting any violation of this Section or instituting or testifying in any proceeding relating to any violation of this Section.

(6) The Unit shall have the responsibility of administering this Section and in connection therewith shall:

(a) Maintain a current schedule of the prevailing wages and working conditions for each occupational classification in each craft, trade, service and industry involved in City-work.

(b) Receive and refer to the Commissioner under whose supervision a City-work contract is being performed, complaints against any contractor or subcontractor for alleged violations of this Section or the provisions of the City-work contract required hereby. Thereafter, the Director shall investigate such complaints and in connection therewith or with respect to any investigation shall have full power and authority to subpoena any witness, books, records, or other data of any person for the purposes of obtaining information pertinent to such investigation. The Director shall make a finding in writing with respect to each complaint filed, and shall send a copy thereof to the complainant and the contractor and shall maintain it on file. Upon request, the unit shall provide any affected contractor or subcontractor with a hearing, pursuant to subsection 8(e).

(c) Monitor the daily operations of contractors and subcontractors with respect to City-work contracts to insure compliance with this Section and with the prevailing wage provisions of any City-work contract.

(7) Board of Labor Standards. There is hereby created a Board to be known as the Board of Labor Standards.

(a) The Board shall consist of five (5) persons to be appointed by the Mayor. One member shall be from among representatives of labor organizations in the building and construction fields; one member from among employers in the building and construction fields who employs competent and first class workmen and mechanics; two public members; and one City employee who shall be the Chairman. In addition, the Mayor may appoint for each member an alternate selected from the same group as the member for whom he is to act. Such alternate shall have all of the powers and responsibilities and may act in place and stead of the member in the member's absence or unavailability for any reason.

(b) The Board shall serve as an appeal body to review the findings made under subsection (6)(b) of this Section or any other violation found by the Director.

(.1) No appeal shall be considered unless after the completion and determination of the due process hearing by the Labor Standards Unit the appeal is filed in writing with the Board within ten (10) days of the date that the findings or violation notice was sent to the parties.

(.2) Appeals to the Board may be taken by any person aggrieved or by any officer, department, board or commission of the City or organization affected by these findings.

(.3) The Director and, if applicable, the operating department overseeing the contract, upon a notice of appeal, shall transmit to the Board all the papers constituting the record upon which the action appealed from was taken.

(.4) In the exercise of its powers, the Board may reverse, affirm or modify the finding, order, or determination appealed from.

(.5) Hearings of the Board shall be held at the call of the Chairman and at such other times as the Board may determine.

(.6) All Board hearings shall be open to the public and shall be recorded. Transcripts shall be prepared upon the request of and payment by any party to the appeal.

(.7) The Board may administer oaths and compel the attendance of witnesses and the production of records and documents for which purposes subpoenas may be issued.

(.8) The Board shall keep minutes of its deliberations showing the vote of each member or his alternate upon each appeal or, if absent or failing to vote, indicating such fact, and shall keep records of its hearings and other official actions, all of which shall be immediately filed in the office of the Board and shall be a public record.

(.9) The Board shall fix a reasonable time for the hearing of appeals and give due notice to the parties in interest, and decide the same within a reasonable time.

(.10) Any party may appear in person, by his attorney or by a representative acceptable to the Director; except that for good and proper cause the right of a representative to practice before the Board may be suspended by the Board. Statements by a person's attorney or representative on his behalf may be considered as testimony.

(.11) Findings of fact and conclusions of the Board shall be conclusive and binding upon the parties and shall not be subject to review by any court except on jurisdictional, procedural or legal grounds.

(.12) All reasonable costs associated with the appeal shall be payable to the City of Philadelphia by the appealing party, in advance of any appeal hearing.

(8) Enforcement.

(a) The violation of any requirement of this Section or of the provisions of a City-work contract required thereby shall be considered a substantial breach of the contractor's obligation under the contract. The requirements of this Section and of a City-work contract shall not be deemed to have been violated where it is contended that a particular craft, trade, service or industry is not the appropriate one and the wages and conditions applicable to another craft, trade, service or industry should have been used, provided that the prevailing wages have been paid and the prevailing working conditions given as determined for any craft, trade, service or industry specified in the contract.

(b) Upon a finding by the Director of a failure by any contractor or subcontractor to pay the applicable prevailing wage to any employee(s), the Director may direct the appropriate department(s) to withhold from the contractor on the applicable City-work contract such sums as the Director, in his or her discretion, believes appropriate to insure compliance, which may include but not be limited to any sums remaining due on the contract; or the amount determined still to be owing to the employees had the prevailing wage requirements been met; or a sum equal to one hundred and fifty percent (150%) thereof. Such withheld moneys shall be retained by the City until all employee(s) on the applicable City-work contract have received the appropriate wage payments under this Section.

(.1) Upon the conclusion of any appeals, or the expiration of time in which an appeal may be filed, from a finding of violation by the Director or a decision by the Director to direct the withholding of any sums, the Director may direct the appropriate department(s) to make such payments directly to affected employees, out of any withheld sums, as may be necessary to remedy the violation.

(c) No payments shall be made by the City on any contract or by any contractor on any subcontract, and no work shall be performed on any contract or subcontract if:

(.1) A current compilation contractor listing has not been filed with the Unit.

(.2) A contractor does not provide the Unit with access to documents or employees, or allows an employee or other person to interfere with such access or with an interview with an employee, in violation of subsection 3.

(d) To the extent any money owing to an employee under this Section is not timely paid by an employer, such money shall accrue interest at a rate of six percent (6%) per annum from the date of commencement of the violation.

(e) Upon notice from the Unit to a contractor or subcontractor that a violation has occurred, the contractor or subcontractor may make a written request for a hearing from the Unit, which request for hearing shall stay all penalties, except that any decision by the Director to withhold sums from a contractor or subcontractor shall not constitute a penalty and shall proceed.

(9) Penalties.

(a) No contract for City-work shall be awarded to any contractor or subcontractor, or any principal, affiliate, successor or assignee of any contractor or subcontractor, who has been found to have intentionally violated any provisions of this Section or who has been found to have violated this Section

with respect to more than one City-work contract or subcontract within the past three years, until three years have elapsed from the date of the determination of such violation unless the Procurement Commissioner, after reviewing the recommendation of the Director, or the Board of Labor Standards, on appeal, shall fix a shorter period in view of extenuating circumstances relating to the particular violation.

(b) A fine of three hundred dollars (\$300) for each violation committed against every employee on each project shall be imposed upon any contractor who:

(.1) Violates subsection 5(a), relating to retaliation. 64

(.2) Is found, after audit by the Unit, to have paid any employee less than the prevailing wage or provided to the employee less than the prevailing working conditions.

(.3) Is found, after audit by the Unit, to have paid any employee less than the prevailing wage or provided to the employee less than the prevailing working conditions, and subsequently fails to make timely remedy to the employee.

(c) A fine of three hundred dollars (\$300) for each violation shall be imposed upon any contractor who: 65

(.1) Submits a second or subsequent late or incomplete payroll on any contract, in violation of subsection (4).

(.2) Does not provide the Unit with access to documents or employees, or allows an employee or other person to interfere with such access or an interview with an employee, in violation of subsection (3).

(d) Each act of retaliation, each underpayment of any employee, each late payroll and each failure to provide access or act of interference shall constitute a separate violation.

(e) For the purpose of enforcing the provisions of this Section, notices of violation shall be issued by authorized inspectors within the Labor Standards Unit or any other persons authorized to enforce ordinances. Such notices of violation shall be issued under the procedures set forth in § 1-112, except that the amount required to be remitted in response to a notice of violation shall be one hundred dollars (\$100). 66

(10) City Related Agencies. Any contract, lease, grant, condition or other agreement entered into by the City with any City-related Agency shall contain a provision requiring the City-related Agency, in the procurement of (i) all building or construction work for compensation that exceeds twenty-five thousand dollars (\$25,000), including repair, alteration and remodeling done on behalf of the City-agency under a contract awarded by the City-agency; and (ii) all offsite fabrication of sheet metal ducts or similar sheet metal products for heating, ventilating, and air-conditioning systems produced as non standard items for such work; and (iii) all other non-professional service contracts with the City-agency for compensation that exceeds two hundred thousand dollars (\$200,000), including building service contracts except that such contracts need only exceed one hundred thousand dollars (\$100,000); purchased pursuant to such contract, lease, grant, condition or other agreement with the City, to abide by the provisions of subsection 17-107(2), as if such procurement were for City-Work. The City may waive the requirements of subsection 17-107(2) if the Procurement Commissioner certifies that applying said prohibition may result in the loss of federal, state or similar funds or grants. The requirements of this paragraph and subsection 17-107(2) shall not apply to any City funded or City-related Agency funded housing rehabilitation or construction project that involves eight (8) or fewer housing units. 67



(11) Leases and Subleases. 68

(a) Lease means a lease of City property or property owned or managed by a City-related agency: which contains, or will contain, a building or complex of buildings of at least 50,000 square feet of at least one of the following types: commercial office, hospital, university, stadium, convention center, airport or port; which contains or will contain a residential building or complex of buildings of at least fifty (50) dwelling units, whether owned or rented by the occupants thereof; or that is leased to an authority operating a special services district or a NIDMA operating a business improvement district. Leases shall be deemed to include subleases, including tenant leases. 68.1

(b) Building service employees employed at properties subject to a lease as defined herein, whether employed directly by the lessee, or by a sub-lessee or tenant, or through a property management company or a contractor, will receive the prevailing wage.

(c) Every lease entered into by the City or a City-related agency shall contain a provision that all building service employees at the subject premises shall be paid at least the applicable prevailing wages; that the lessee will require all sub-lessees and tenants to, and the lessee shall itself, comply with and be bound by all provisions of this Section, as if such work were City-work and lessee a contractor; and that, upon any violation of this Section and any regulations promulgated hereunder, which is not promptly remedied, such additional sums as may be necessary to remedy the violation shall become due and owing under the lease. The City may make payments directly to affected employees, out of such additional sums, as may be necessary to remedy the violation.

(d) This subsection applies to all leases entered into, renewed, or extended after the effective date of this subsection.

(12) Recipients of Financial Assistance. 69

(a) Financial assistance means any grant, loan or loan guarantee, incentive, or subsidy provided by, or with the authority or approval of, the City or a City-related agency, including, but not limited to, bond financing; tax increment financing; use of the power of eminent domain; Community Development Block Grant loans or grants; Enterprise Zone designations, and waiver of City fees; subject to any restrictions imposed under applicable laws, financial assistance includes any transaction managed or administered by the City or a City-related agency, or over which, the City or a City-related agency has oversight authority, which offers financial benefits or assistance under City law or relief from the financial requirements or burdens of City law. For the purposes of this Section, the term "financial assistance" shall not include any real estate tax exemptions awarded pursuant to §§ 19-1303(2), 19-1303(3), 19-1303(4) or 19-1303(5).

(b) Building service employees employed at properties that benefit from financial assistance, whether employed by the owner, developer or lessee of the property, or through a property management company or a contractor, will receive the prevailing wage; this requirement applies at a building or complex of buildings of at least 50,000 square feet of at least one of the following types: commercial office, hospital, university, stadium, convention center, airport or port; or at a residential building or complex of buildings of at least fifty (50) dwelling units, whether owned or rented by the occupants thereof. Building service employees employed by an authority operating a special services district or a NIDMA operating a business improvement district, that receives financial assistance, or by a contractor of such an entity, shall receive the prevailing wage. This requirement shall apply for the duration of the assistance or ten (10) years from the issuance of a certificate of approval, whichever is later. 69.1

(c) Conditions.

(.1) Unless prohibited under state law, any contract, grant, condition or other agreement entered into by the City or any City-related Agency with a recipient of financial assistance shall contain a provision that all building service employees at the property shall be paid at least the applicable prevailing wages; and that the recipient will require all developers, owners, lessees and tenants to, and the recipient shall itself, comply with and be bound by all provisions of this Section, as if such work were City-work and the recipient a contractor.

(.2) Unless prohibited under state law, as a condition of obtaining financial assistance, the City or City-related agency shall require the recipient to post a bond in an amount sufficient to ensure compliance with the provisions of this Section and any regulations promulgated hereunder; if a violation is not promptly remedied, the City may make or direct payments to be made directly to affected employees, out of the proceeds of such bond, as may be necessary to remedy the violation.

(.3) Where state law prohibits the City or City-related agency from placing the conditions set forth above in subsections (.1) and (.2) on the receipt of financial assistance, a recipient of financial assistance shall in all other respects be bound by the terms of this Section and shall be required to post a bond in an amount sufficient to ensure compliance with the provisions of this Section and any regulations promulgated hereunder; if a violation is not promptly remedied, the City may make or direct payments to be made directly to affected employees, out of the proceeds of such bond, as may be necessary to remedy the violation.

(d) This subsection applies to financial assistance awarded or renewed after the effective date of this subsection.

(13) Sale of Property. 70

(a) Every contract or agreement entered into by the City for the sale of City property or by a City-related agency for the sale of property transferred to it by the City, which property: contains, or will contain, a building or complex of buildings of at least 50,000 square feet of at least one of the following types: commercial office, hospital, university, stadium, convention center, airport or port; or contains or will contain a residential building or complex of buildings of at least fifty (50) dwelling units, whether owned or rented by the occupants thereof; or is sold to a an authority operating a special services district or a NIDMA operating a business improvement district, shall contain a provision that all building service employees employed at the property shall be paid at least the applicable prevailing wages for ten (10) years from the date of the sale or issuance of a certificate of approval, whichever is later; that the purchaser shall require all property managers, contractors, lessees and tenants to, and shall itself, comply with and be bound by all provisions of this Section, as if such work were City-work and purchaser were a contractor; and that the purchaser will comply with the requirements of subsection 13(c). 70.1

(b) The City or City-related agency shall require the purchaser to post a bond in an amount sufficient to ensure compliance with the provisions of this Section and any regulations promulgated hereunder; if a violation is not promptly remedied, the City may make or direct that payments be made directly to affected employees, out of the proceeds of such bond, as may be necessary to remedy the violation.

(c) Every contract or agreement entered into by a purchaser, within the ten (10) year period set forth in subsection 13(a), for the sale of property subject to this subsection shall contain a provision that all building service employees employed at the property shall be paid at least the applicable prevailing wages during the ten (10) year period; that the transferee shall require all property managers, contractors, lessees and tenants to, and shall itself, comply with and be bound by all provisions of this

Section, as if such work were City-work and transferee were a contractor. The purchaser shall require the transferee to post the bond required under subsection 13(b) as a condition of the transfer; a failure to do so will result in forfeiture of the purchaser's bond, the proceeds of which may be used to make payments directly to affected employees in the event of a violation of this subsection.

(d) This subsection applies to contracts of sale entered into after the effective date of this subsection.