



DATE: October 28, 2014

CATEGORY: Consent

DEPT.: City Attorney's Office and City Manager's Office

TITLE: **Adopt an Ordinance Adding Chapter 42, Article II to the Mountain View City Code to Require the Payment of a City-Wide Minimum Wage (Second Reading)**

RECOMMENDATION

Adopt an Ordinance Adding Chapter 42, Article II to the Mountain View City Code to Require the Payment of a City-Wide Minimum Wage. (First reading: 6-1; Inks no)

SUMMARY

On October 9, 2014, the City Council introduced an ordinance to require the payment of a City-wide minimum wage based on the City of San Jose's ordinance. The ordinance would set the City-wide minimum wage at \$10.30 per hour effective July 1, 2015, and will adjust annually thereafter on January 1 of each following year based on the Consumer Price Index. The ordinance applies to employers who are either subject to the City's business license requirements or who maintain a business facility in the City to pay the minimum wage to covered employees. Covered employees are those who perform at least two (2) hours of work in a calendar week for an employer within the geographic boundaries of the City.

The ordinance also provides for coordination with the City of San Jose Office of Equality Assurance to conduct initial investigations of complaints and informal resolution, with escalated cases administered by the City under existing administrative enforcement provisions contained in the City Code.

In addition to introducing the ordinance on October 9, 2014, Council (6-1 vote; Inks no) adopted a goal of reaching a \$15 per hour minimum wage by 2018 working in cooperation with neighboring cities and regional organizations and with input from the Mountain View community. In March 2015, staff will give the Council an update on minimum wage provisions in the region and seek direction on a work plan to achieve this goal.

FISCAL IMPACT

The ordinance is anticipated to have a minimal fiscal impact on the City in terms of both wages paid by the City and anticipated enforcement costs. The City currently pays the State minimum wage of \$9.00 per hour or above to all City employees. Approximately 14 hourly positions are paid at minimum wage. The State minimum wage will increase to \$10.00 per hour on January 1, 2016, and the City would similarly pay that wage rate if it does not adopt a minimum wage ordinance. In addition, all City contractors are also required to pay their employees the State minimum wage.

PUBLIC NOTICING – Agenda posting.

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KC-KMcC/7/CAM
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Attachment: 1. Ordinance