



DATE: November 10, 2015

CATEGORY: Consent

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

TITLE: **Adopt an Ordinance Amending
Section 42.14 of the Mountain View
City Code Related to the Citywide
Minimum Wage (Second Reading)**

RECOMMENDATION

Adopt an Ordinance Amending Section 42.14 of the Mountain View City Code Related to the Citywide Minimum Wage. (First reading: 5-2; Inks, McAlister no)

SUMMARY

On October 9, 2014, the City Council adopted an ordinance to require the payment of a Citywide minimum wage based on the City of San Jose's ordinance. The ordinance set the Citywide minimum wage at \$10.30 per hour effective July 1, 2015, with annual adjustments thereafter on January 1 based upon the national Consumer Price Index (CPI) (Urban Wage Earners and Clerical Workers, U.S. City Average for All Items).

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 (OEA) 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.

On October 27, 2015, the City Council introduced an ordinance increasing the Citywide minimum wage in Mountain View to \$15.00 per hour by 2018 according to the schedule below. Beginning on January 1, 2019, the minimum wage will adjust annually based upon the regional CPI (Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose, CA for All Items). The ordinance's effective dates of January 1 were adopted in an effort to have regional consistency with the existing minimum wage effective dates in the Cities of Sunnyvale, Santa Clara, and Palo Alto, and pave a regional path for \$15.00 per hour that other cities may join.

Effective Date	Minimum Wage Rate
Current	\$10.30
1/1/2016	\$11.00
1/1/2017	\$13.00
1/1/2018	\$15.00
1/1/2019 January 1 Each Following Year	Regional CPI Increase

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 has one hourly position that is currently paid \$10.30 per hour, while there are 18 positions paid between \$10.30 and \$15.00 per hour. City costs would increase approximately \$75,000 by 2018 as the minimum wage incrementally increases to \$15.00 per hour. The OEA has provided the City with a flat fee, per task schedule, which ranges from \$200 to \$1,000 per task based on complexity of work and size of employer being investigated. Based upon a relatively low volume of complaints received in San Jose since the adoption of its ordinance, the City has budgeted \$20,000 in Fiscal Year 2015-16 for this delegated work. The City has not received any complaints or spent any funds thus far.

PUBLIC NOTICING – Agenda posting.

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KMcC-KC/7/CAM/610-11-10-15CR-E

Attachment: 1. Ordinance