



Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: March 11, 2019

FROM: CITY ATTORNEY

SUBJECT: An ordinance of the City of Pasadena, California amending Title 5, Chapter 5.02 of the Pasadena Municipal Code to provide for increases in the city-wide minimum wage.

TITLE OF PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY OF PASADENA, CALIFORNIA AMENDING TITLE 5, CHAPTER 5.02 OF THE PASADENA MUNICIPAL CODE TO PROVIDE FOR INCREASES IN THE CITY-WIDE MINIMUM WAGE.

PURPOSE OF ORDINANCE

This Ordinance reflects the direction given by the City Council at the Council Meeting of February 11, 2019, in which the Council directed the City-wide Minimum Wage should continue on its incremental path to \$15.00. This Ordinance would continue raising the City-wide Minimum Wage to \$14.25 on July 1, 2019, \$15.00 on July 1, 2020, and \$15.00 on July 1, 2021, for small employers. Beginning on July 1, 2022, and, on each July 1, thereafter, the minimum wage for all employers will be raised by an amount equal to the change in the consumer price index

REASON WHY LEGISLATION IS NEEDED

Enactment and enforcement of this Ordinance is an exercise of the powers vested in the City of Pasadena under the laws and the Constitution of the State of California and the City Charter including but not limited to the police powers vested in the City pursuant to Article XI, Section 7 of the California Constitution and Section 1205(b) of the California Labor Code. Amendments to the Municipal Code must be done by ordinance.

MEETING OF 03/11/2019

AGENDA ITEM NO. 15

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

The departments most impacted by adoption of this Ordinance will be Finance, Human Services and Recreation, the City Attorney/City Prosecutor's Office, and the City Manager's Office. Minimum wage workers throughout the City will be impacted and economic activity in the City is anticipated to increase. Businesses employing minimum wage workers will continue to see an increase in labor costs and posting requirements.

FISCAL IMPACT

The direct costs for minimum wage enforcement and public outreach is estimated to be \$110,000, per year. Applying the increase to \$14.25 effective July 1, 2019, is estimated to increase employee costs for the City's workforce by \$190,000 spread among various City funds with approximately half of this amount impacting the General Fund. Long term increases in sales tax revenue resulting from the anticipated increased economic activity is also expected.

Respectfully submitted



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Concurrence:



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