



SENT TO COUNCIL

Forwarded on:

JUN 4 - 2004

Memorandum

City Council Liaison's Office

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: LIVING WAGE RATES

DATE: 06-01-04

Approved

Katy Allen

Date

6/2/04

INFORMATION

Per the Living Wage Resolution (No. 68900), the Office of Equality Assurance has reviewed the 2004 U.S. Health and Human Services Poverty Guidelines and Economic Research Institute's Geographic Assessor to determine if any adjustment to the City's living wage rate is necessary.

The adopted methodology used to calculate the rate is:

Federal Poverty Income Standard for Family of 3	x	Geographic Adjustment Factor	=	San Jose Living Wage Rate
---	---	------------------------------	---	---------------------------

The current living wage rates are:

- a) If health insurance benefits are provided, a wage of no less than \$10.31 per hour; or
- b) If health insurance benefits are not provided, a wage of no less than \$11.56 per hour.

Application of this methodology to the current values results in the following new living wage rate:

\$7.53	x	.424	=	\$10.72 per hour
--------	---	------	---	------------------

The wage rate for contractors and any subcontractors on City contracts subject to the Policy is:

- a) If health insurance benefits are provided, a wage of no less than \$10.72 per hour ; or
- b) If health insurance benefits are not provided, a wage of no less than \$11.97 per hour.

These new rates affect applicable contracts solicited for and entered into after July 1, 2004.

Katy Allen

KATY ALLEN
Director, Public Works Department

