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DEC 12 2012
City Manager's Office

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: David Sykes

SUBJECT: SAN JOSE MINIMUM
WAGE ORDINANCE

DATE: December 12, 2012

Approved

Date

12/12/12

INFORMATION

Approved by a majority of San José voters on November 6, 2012, and certified by the City Council on December 11, the City of San José Minimum Wage Ordinance (MWO) will go into effect on March 11, 2013. Under the MWO, the minimum wage for covered employees working within the city limits of San José will be \$10.00 per hour. The only employer exceptions to the MWO are those employers who neither have a facility within San José nor are subject to the San José Business Tax. In addition, the MWO will not apply to employees who work less than two (2) hours a week in San José. Covered employers will be required to post notices in the workplace published and made available by the City of San José regarding the wage rates and employee rights, and they will be required to maintain payroll records for a period of four (4) years.

Enforcement of the MWO will be on a complaint-basis. The Office of Equality Assurance will not actively monitor or enforce the minimum wage requirements until a complaint is filed.

Staff plans to conduct significant public outreach and public education given the high profile of the MWO and our desire for a successful March 11 implementation. To this end, a high-level outreach/education plan and schedule is attached for your information and reference.

A staff team has been assembled to assist with implementation efforts that include representatives from the following departments and offices: Public Works/Office of Equality Assurance; City Manager's Office; Finance; Human Resources; City Attorney's Office; and Office of Economic Development. This team will also reach out to community stakeholders.

Staff will be using the Finance Department's Business Tax Amnesty Program and Business Tax Renewal mailings to initially notify businesses that the MWO takes effect March 11, 2013. Later this week, a news release will be issued regarding the MWO, the City's website will be updated with information about the MWO to include text of the Ordinance, fact sheet, election results, and a dedicated MWO e-mail address (SJMWO@sanjoseca.gov) for the public to use to ask questions. Staff from the Office of Equality Assurance will periodically update the website with answers to questions and concerns received from the website, email and telephone inquiries.

The website will be “self service” with downloadable posters, notices and public service announcements.

Outreach to the employer community will include: chambers of commerce (San Jose and adjacent cities); minority chambers; neighborhood business associations; specific business associations such as those serving the restaurants, landscape contractors, and building management industries; Work2future job training vendors; and payroll service providers. Outreach to the employee community will include contacting San Jose State University; community colleges; high schools, especially those with job placement centers or school publications; Council Office newsletters; Spanish, Vietnamese, and other Asian publications; radio and TV; public service announcements; Labor organizations including Working Partnerships and the South Bay Labor Council; and other media opportunities.

In anticipation of funding to hire additional staff to administer the Minimum Wage Program as well as other potential outreach methods, we will start the recruitment process in January and follow-up at Mid-Year Budget Review with a detailed funding strategy and request. We look forward to a successful MWO launch on March 11.

/s/
DAVID SYKES
Director of Public Works

For questions, please contact Nina Grayson, Division Manager, at 408-535-8455.

Attachment

**SAN JOSE MINIMUM WAGE ORDINANCE
OUTREACH AND EDUCATION SCHEDULE**

ACTIVITY	SCHEDULE
OUTREACH & EDUCATION	December 2012 – March 2013
• Develop Official Wage Bulletin	January 2013
• Develop & Prepare Ordinance Highlights & FAQs & Post on City Website	December 2012 – Ongoing
• Mailings to Business Owners using Business Tax Amnesty Program & Business Tax Program Renewal Mailings	December 2012 – March 2013
• Posting MWO Information on City Website	December 2012 - Ongoing
• Make Contract & Provide Information to Employee & Employer Communities	January – March 2013
• Provide Information & Materials to Council Offices for District Newsletters	January – March 2013
• Prepare Scripts for Public Service Announcements for Radio	January 2013
ADMINISTRATION & ENFORCEMENT	December 2012 – March 2013
• Dedicated Phone Line & Email Address	December 2012
• Develop MWO Database	February 2013
• Develop Various Forms/Letters: Employee Questionnaire & Declaration in Support of Claim; Notice to Employer of Claim; Notice of Determination to Employer; Administrative Citation	December 2012 – February 2013
• Develop Regulations as necessary	TBD as Necessary
• Develop OEA Internal Processes	December 2012 – February 2013

