

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: 07/19/2010

Reviewed by: BP

SUBJECT: Second reading of Living Wage Ordinance, #2010-07 (formerly #09-16).

REPORT BY: Judy Lieberman, Assistant City Administrator

SOCIAL & ECONOMIC JUSTICE COMMISSION RECOMMENDATION

Approve the Second Reading of Ordinance #10-07, An Ordinance of the Albany City Council Adopting Section 2-26 entitled “Living Wage Ordinance” to the Albany Municipal Code.

BACKGROUND

The first reading of the “Living Wage Ordinance” was approved at the Council meeting of July 6, 2010. At that time the following changes were made to the ordinance as presented:

1. In Section §26.5.c change the word” increase” to “adjust”
2. Provide a 2010 ordinance number
3. Change the effective date in Section 26.13 to “January 1, 2011.”

No changes were made to Section 2-26.8. Therefore casual, seasonal, and emergency city employees are not covered by this ordinance at this time.

ANALYSIS

The ordinance as drafted applies to employees of City service contractors and subcontractors who enter into a service contract with the City of \$25,000 or over per fiscal year, as well as to City financial aid recipients who receive direct assistance from the City in the amount of more than \$100,000 per fiscal year.

The wage rate is a minimum of \$11.93 per hour including wages and health benefits paid by the employer. If no health benefits are provided, the rate is \$13.54 per hour.

DISCUSSION

As of December of 2010, the City will need to begin tracking their contracts to ensure compliance with the ordinance.

SUSTAINABILITY IMPACT

If adopted, it is believed that persons affected by the ordinance will receive a more suitable wage that enables them to achieve economic self-sufficiency.

FINANCIAL IMPACT

There may be some minimal administrative costs related to tracking contracts. If contracts come before the city that propose to hire contractor or consultants who pay their employees less than the living wage, there may be some future cost to bring these contracts up to the minimum wage levels.

Attachments:

1. Ordinance #10-7, An Ordinance of the Albany City council Adopting Section 2-26 entitled "Living Wage Ordinance" to the Albany Municipal Code.
2. Staff Report from July 6, 2010 meeting.