



TO: T.C. Broadnax, City Manager
FROM: Andy Cherullo, Director, Finance Department; Tadd Willie, Budget Director
COPY: City Council and City Clerk
SUBJECT: Request for Resolution to receive the Tacoma Minimum Wage Task Force Final Report – July 7, 2015
DATE: June 29, 2015

SUMMARY:

The City of Tacoma’s Minimum Wage Task Force was convened to review and discuss minimum wage alternatives in Tacoma, including alternatives to the 15 Now Initiative, and provide recommendations to the City Council by June 30, 2015. In this request for resolution, the Minimum Wage Task Force submits its final report to the City Council, which includes two alternative minimum wage increase proposals.

STRATEGIC POLICY PRIORITY:

The requested resolution aligns with the City Council’s Strategic Policy Priorities: *Ensure all Tacoma residents are valued and have access to resources to meet their needs* and *Foster a vibrant and diverse economy with good jobs for all Tacoma residents*.

BACKGROUND:

The Minimum Wage Task Force was established on May 5, 2015 through Resolution 39187. Resolution 39194 increased the Task Force membership to consist of 15 members and two alternates. The membership of the Minimum Wage Task Force consists of City Council nominees, intended to be geographically and culturally diverse to represent the entire Tacoma community, six members representing business and citizen groups, and two alternates. The Task Force met eight times between May 28, 2015 and June 29, 2015.

ISSUE:

The members of the Tacoma Minimum Wage Task Force agree that raising the minimum hourly wage in Tacoma from \$9.47 to \$15 on January 1, 2015 would be unprecedented and very difficult for small businesses and small non-profit organizations to implement. They also agree that raising the minimum wage should be done incrementally – in phases or steps over time. While they agree on a number of elements of an alternative proposal to the initiative that will appear on the November 2015 ballot, they did not reach unanimous agreement on a single alternative. The Task Force offers the Mayor and City Council two options for phasing in increases to the minimum wage.

Proposal A was endorsed by nine Task Force members and would achieve a minimum hourly wage of \$15 for everyone working in Tacoma by 2024. For businesses with 150 or more employees, the minimum hourly wage for employees would be \$15 by 2020.

Proposal B was endorsed by six Task Force members and would achieve a minimum hourly wage of \$12 for everyone working in Tacoma by 2019.

ALTERNATIVES:

No alternatives provided

RECOMMENDATION:

Staff recommends that the City Council adopt this resolution to receive the Minimum Wage Task Force Final Report and take additional action to implement, as appropriate, the recommendations of the Task Force as a potential ballot initiative.



FISCAL IMPACT

There is no fiscal impact associated with this resolution to receive the Tacoma Minimum Wage Task Force Final Report.