



TO: T.C. Broadnax, City Manager
FROM: Celia Holderman, Executive Assistant
COPY: City Council and City Clerk
SUBJECT: Resolution – Creating the Tacoma Minimum Wage Taskforce
DATE: May 5, 2015

SUMMARY:

A resolution creating a 13-member task force to be named the Tacoma Minimum Wage Task Force for the purpose of reviewing minimum wage alternatives in Tacoma. The Task Force will consist of one member nominated by each Council Member and four members nominated from various business or citizen groups and selected by the Mayor. The Task Force shall complete and submit any recommendations to the City Council by June 30, 2015.

COUNCIL SPONSORS:

Mayor Marilyn Strickland

STRATEGIC POLICY PRIORITY:

The requested Resolution aligns with the City Council’s Strategic Policy Priority to *Foster a vibrant and diverse economy with good jobs for all Tacoma residents.*

BACKGROUND:

On May 4, 2015, Mayor Strickland received a letter from the Tacoma-Pierce County Chamber requesting the Mayor convene a group capable of developing an alternative to the \$15 an hour Minimum Wage Initiative that all of Tacoma’s voters could get behind. The Chamber acknowledged the need to address the minimum wage issue here in Tacoma; however, they believed the 15 Now proposed initiative is too extreme because it creates the highest minimum wage in the state and nation. Although Seattle has adopted a higher minimum wage, their economy is stronger than the Tacoma economy and the cost of living is much higher. Yet, even in Seattle, where the median household income is 30% higher than in Tacoma, the Seattle City Council opted to increase its minimum wage in phases over seven years. Currently, the \$11 an hour minimum wage rate effective in Seattle on January 1, 2016, is \$4 an hour less than what is being proposed in Tacoma.

During the May 5, 2015 Study Session, the Mayor discussed the Chamber’s request for the City to create a group to convene and discuss alternatives. The Mayor is proposing a 13-member group with each Council Member submitting a preferred representative and resident of Tacoma to be considered for appointment to the Task Force. The nominations are to be geographically and culturally diverse to represent the Tacoma community. In addition, the Mayor requested that there be a good representation from groups such as the Cross Business District, the Chamber, or other groups. There was also a discussion of Council Members providing names that the Government Performance and Finance Committee could consider for appointment. However, due to the deadlines of submitting recommendations by June 30, 2015 so that recommendations could be discussed by the Council prior to election deadlines, and the timing needed to adopt resolutions for items to be placed on the ballot, the Mayor is requesting that appointments be made quickly to allow the group to convene and discuss the



ISSUE:

15 Now has proposed a ballot measure to increase the minimum wage to \$15 an hour effective January 2016. The Chamber and members of the local business community believe it is too extreme, will hurt the local economy, harm small businesses and workers. They have requested that the Mayor and City Council convene a group to propose an alternative.

ALTERNATIVES:

The Council could choose to not support the requested resolution.

RECOMMENDATION:

The recommendation is that the Council approve the resolution establishing the Tacoma Minimum Wage Task Force and submit recommendations to the City Council by June 30, 2015.

FISCAL IMPACT:

There is no fiscal impact.