



**TO:** T.C. Broadnax, City Manager  
**FROM:** Andy Cherullo, Director, Finance Department; Tadd Willie, Budget Director  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Placing a Tacoma Minimum Wage Task Initiative on the November 3, 2015 General Election Ballot – July 14, 2015  
**DATE:** July 9, 2015

**SUMMARY:**

Resolution authorizing the submission of an initiative to the electors of the City of Tacoma as an alternative to City of Tacoma Citizens Initiative No. 1, at the General Election to be held on November 3, 2015, relating to minimum wage in the City of Tacoma; and directing the City Clerk to transmit to the Pierce County Auditor a certified copy of this resolution.

**CITY OF TACOMA INITIATIVE MEASURE NO. 1 B**  
 Concerns Establishing a Minimum Wage In The City Of Tacoma  
 As an alternative, the City Council has proposed  
 Initiative Measure No. 1B

The Tacoma City Council adopted Resolution Number XXXXX concerning establishing a minimum wage. If passed by the voters, Initiative 1B would require employers to pay a minimum hourly wage to employees aged sixteen (16) and over performing work in Tacoma of not less than \$10.35 per hour beginning February 2016, \$11.15 beginning January 2017, and \$12.00 beginning January 2018, adjusted annually thereafter based on the Consumer Price Index (CPI) as calculated and used by the State of Washington at that time, and requiring that an impact assessment be conduct in 2018 and every two years thereafter.

Should either of these measures be enacted into law?

Yes? .....

No? .....

Regardless of whether you voted yes or no above, if one these measures in enacted, which one should it be?

Measure No. 1? .....

Or

Measure No. 1B? .....



**COUNCIL SPONSORS:**

Mayor Marilyn Strickland

**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 Tacoma 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. At the July 7, 2015 City Council meeting, the Council adopted Resolution No. 39231 accepting the Task Force's final report, which contained two proposals (A and B).

**ISSUE:**

The members of the Tacoma Minimum Wage Task Force agreed that raising the minimum hourly wage in Tacoma from \$9.47 to \$15 on January 1, 2016 would be unprecedented and very difficult for small businesses and small non-profit organizations to implement. They also agreed that raising the minimum wage should be done incrementally – in phases or steps over time. While they agreed 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 offered 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.

The City Council discussed options at the July 7, 2015 Special Study Session and Mayor Strickland agreed to bring forward an alternative for Council consideration at the July 14, 2015 City Council meeting.

**ALTERNATIVES:**

The City Council could choose not to place an alternative initiative on the November 3<sup>rd</sup> General Election Ballot.

**RECOMMENDATION:**

Since this is a policy decision driven by the City Council Members, staff has no recommendations on this item.

**FISCAL IMPACT**

There is no fiscal impact associated with this resolution to place an initiative on the ballot; however, if the initiative is approved by the voters of Tacoma, any employee of the City earning less than the approved minimum wage alternative would receive an increase in their hourly wage to meet that new minimum wage.