

# THE LIVING WAGE ORDINANCES...AT A GLANCE

## LIVING WAGE ORDINANCE

Companies with city contracts or city facility agreements, or that receive significant subsidies from the city must pay employees at least:

- **\$10 an hour with medical insurance**  
OR
- **\$12 an hour without medical insurance.**

Starting in 2007, these minimum wages are adjusted for inflation every July 1.

Those companies also must provide employees:

- **10 compensated days off** for sick time/vacation AND
- **10 unpaid days off**

### COVERED EMPLOYERS

The living wage requirement applies to all full-time, part-time, temporary, and seasonal workers for:

- **Service contractors**
- **Financial assistance recipients**
- **City facility employers**

### NOT COVERED

- **Businesses with 12 or fewer employees** are exempt (including employees of parent company and subsidiaries).
- **Nonprofits** are exempt if the top paid staff earns less than 8 times the wage of the lowest-paid full-time staff.
- **City employees** are not covered by this policy.
- **Students getting academic credit** in addition to wages are not covered.
- **Workers in job training** and education programs are not covered.

The workers affected are mainly janitors, security guards, landscapers, food service workers, laundry service workers, parking attendants, and maintenance workers.

### EXPLANATION OF TERMS

#### 1. **Service contractors**

- A company with a city contract of at least \$25,000 a year, and a term of over 90 days.
- Includes subcontractors and franchisees.
- Examples include: auto repair & maintenance, cashiers, child care, concessions/retail sales, facility maintenance, on-site food service/prep, janitorial & housekeeping, landscaping, laundry, office, parking, pest control, security, ushers, ticket takers, warehouse workers

#### 2. **Financial assistance recipients**

- Businesses receiving \$500,000 or more in financial assistance over a 5-year period. Compliance is required for 5 years after the threshold amount is received.
- For tourism, arts, and cultural programs, the threshold is \$750,000 in assistance, and compliance is required for only one year.

- Financial assistance includes: Funds, below market loans, rebates, deferred payments, forgivable loans, land write-downs, infrastructure or public improvements, other action of economic value.
- Includes subcontractors.
- Not included: below-market leases to nonprofits, indirect financial assistance like staff services or broadly applicable tax reductions.

### **3. City facility employers**

- Companies with facility subleases for 30 or more days in a year.
- Applies to city facilities that generate \$350,000 or more in annual gross receipts: Petco Park, Qualcomm Stadium, Sports Arena, Convention Center, Community Concourse.
- Applies to subcontracts and concessions agreements with combined annual value over \$25,000 and terms of over 90 days.

## **WORKER RETENTION ORDINANCE**

Workers will keep their jobs for at least 90 days whenever contracts change hands.

### **EMPLOYERS COVERED**

1. Employers at city facilities (sports, entertainment or convention buildings) over 17,000 sq. ft.
2. Contracts over \$25,000 and for terms of over 3 months
3. Any subcontractors and sublessees

### **EMPLOYEES COVERED**

Workers who have been on job at least 6 months.

## **CONTRACTOR STANDARDS ORDINANCE**

Contractors must “comply with applicable state and federal laws, including health and safety, labor and employment, and licensing laws that affect the employees, worksite or performance of the contract.”

### **COVERED**

Service contracts over \$50,000, and subcontractors.

### **REQUIREMENT**

- Bidders must submit a questionnaire addressing compliance with these laws, under penalty of perjury.
- A contractor who is investigated for violation of any of these laws must notify the City's Purchasing Agent within 15 days of getting that notice.