



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: May 21, 2019
TO: Christine Daniel, City Manager
FROM: Charles S. Bryant, Community Development Director
SUBJECT: Introduction And First Reading Of An Ordinance Of The City Of Emeryville Amending Sections 5-37.01 And 5-37.02 Of Chapter 37 Of Title 5 Of The Emeryville Municipal Code With Respect To The Minimum Wage For Employees Of Small Independent Restaurants; CEQA Determination: Exempt Pursuant To State CEQA Guidelines Sections 15324 And 15061(b)(3)

RECOMMENDATION

Staff recommends that the City Council approve the first reading of the attached ordinance amending Chapter 37 of Title 5 of the Emeryville Municipal Code, "Minimum Wage, Paid Sick Leave, and Other Employment Standards"; and make a determination that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines sections 15324 and 15061(b)(3).

BACKGROUND

At its May 7, 2019 meeting the City Council received a report on business conditions related to implementation of the City's Labor Standards ordinances. The report included a survey conducted by Mills College in 2018 to assess the impacts of the Minimum Wage, Paid Sick Leave and Fair Workweek ordinances. The report also described the scheduled increase in the minimum wage rate to \$16.30 on July 1, 2019 for both Large and Small Businesses in Emeryville.

Following the presentation and discussion of the report, the City Council directed staff to return at the May 21, 2019 meeting with an ordinance to amend Chapter 37 of Title 5 of the Emeryville Municipal Code, the Minimum Wage Ordinance (MWO), to provide that the minimum wage for employees of small, independent food service businesses (i.e., restaurants) would remain at \$15.00 per hour as of July 1, 2019, because they were the businesses that had been the most impacted by the MWO. The City Council indicated that this provision would be limited to that class of employer and that the remainder of the provisions of the MWO would continue as currently established; i.e. for other businesses in Emeryville, the Minimum Wage will increase to \$16.30 per hour effective July 1, 2019.

DISCUSSION

Staff has prepared a draft ordinance for the City Council's consideration that amends Sections 5-37.01 and 5-37.02 of the MWO to add a new definition of "small, independent

restaurants” and to establish the minimum wage rate of \$15.00 per hour for employers meeting the small independent restaurant definition. The proposed definition relies on provisions of existing City policy related to independent restaurants included in the Business License Tax Rebate Program approved by the City Council on February 21, 2017.

ENVIRONMENTAL REVIEW

This Ordinance is exempt from environmental review under State CEQA Guidelines Section 15324, which applies to regulations of working conditions including employee wages, and the “general rule” at Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the proposal may have a significant effect on the environment.

FISCAL IMPACT

There is no increased cost associated with this proposed ordinance.

STAFF COMMUNICATION WITH THE PUBLIC

Staff has had no non-routine communications with the public on this ordinance.

CONFLICT OF INTEREST

None.

CONCLUSION

Should the City Council approve the first reading of this ordinance and amend its regular meeting schedule to add a regular meeting on May 29, 2019, the second reading will be scheduled for that date. Should the second reading of the ordinance be approved, the effective date of the ordinance will be June 28, 2019, with revised wage rates taking effect on July 1, 2019.

PREPARED BY: Chadrick Smalley, Economic Development and Housing Manager

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



Christine Daniel, City Manager

ATTACHMENTS

- Draft Ordinance