



CITY COUNCIL STAFF REPORT



September 19, 2023

ITEM TITLE

Labor Relations: Consideration of Establishing a Healthcare Worker Minimum Wage

Report Number: 23-0265

Location: No specific geographic location

Department: City Manager

Environmental Notice: This activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act (“CEQA”) State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Place an ordinance on first reading adding Chapter 2.74 “Healthcare Worker Minimum Wage” to Title 2 of the Chula Vista Municipal Code **(First Reading)**.

SUMMARY

On August 8, 2023, the City Council made a referral to the City Manager’s Office to prepare a healthcare worker minimum wage ordinance for Council consideration. The draft ordinance was presented to the City Council on September 12, 2023 and extensive public testimony was received. At the conclusion of the hearing, City Council directed staff to agendize the draft ordinance for action on September 19, 2023. This item is responsive to that direction.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with CEQA and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

On August 8, 2023, the City Council directed staff to return on September 12th with an ordinance establishing a healthcare worker minimum wage, similar to a local initiative effort and an ordinance adopted by the City of Los Angeles. Per this direction, staff prepared a draft ordinance establishing a healthcare worker minimum wage of \$25 per hour (the “Healthcare Worker Minimum Wage Ordinance”). The draft Healthcare Worker Minimum Wage Ordinance was tailored to match the style and structure of the Chula Vista Municipal Code (“CVMC”) and for consistency with a traffic control worker minimum wage ordinance that is also under City Council consideration. Additional edits were made to improve transparency and ease of implementation.

On September 12, 2023, the City Council received the draft ordinance and extensive public testimony. At the conclusion of the hearing, staff was directed to agendize the draft ordinance for action on September 19th. This item is responsive to that direction.

If adopted, the ordinance would apply to all Covered Healthcare Workers (as defined in Section 2.74.030), effective January 1, 2024. Annual consumer price index-based increases would also be authorized, effective January 1, 2025 and each January 1st thereafter. The City Manager would be authorized to enforce the ordinance pursuant to CVMC Chapter 1.14 and civil causes of action would also be authorized.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.).

Staff has been informed that Councilmember Chavez has a business position and/or income source related to the healthcare industry, which may present a potential conflict of interest; as a result, she will recuse herself from participation in this item.

CURRENT-YEAR FISCAL IMPACT

Staff is currently developing an implementation plan for this ordinance, including identifying associated funding requirements.

The implementation plan will be presented to the City Council in the near term, including funding recommendations. Current-year fiscal impacts of administering and enforcing the Healthcare Worker Minimum Wage Ordinance will be presented with that item.

ONGOING FISCAL IMPACT

Staff is currently developing an implementation plan for this ordinance, including identifying associated funding requirements.

The implementation plan will be presented to the City Council in the near term, including funding recommendations. Current-year fiscal impacts of administering and enforcing the Healthcare Worker Minimum Wage Ordinance will be presented with that item.

Impacts to Covered Healthcare Workers and Covered Healthcare Facilities (as defined in Section 2.74.030) have not been analyzed, nor have collateral impacts related to wage compression, health insurance premiums, etc.

ATTACHMENTS

None

Staff Contact: Tiffany Allen, Assistant City Manager