



Date: November 17, 2009
To: Honorable Mayor and Members of the City Council
From: Councilmember Rae Gabelich, Eighth District
Subject: **R-25, Equal Benefits Ordinance: Substitute Motion**

The following substitute motion is offered from the dais to move the Equal Benefits Ordinance forward expeditiously:

Recommendation:

Request the City Attorney to draft an Equal Benefits Ordinance, containing the following terms, based on the recommendations of the Economic Development and Finance Committee and the City Council vote of August 4, 2009:

- Exempt non-profit entities
- Allow city manager to make exceptions in certain circumstances, such as when a product or service is indispensable to the city or the public welfare and not available through a firm with equal benefits. The City Manager will provide a report to the Council each year identifying any exemptions granted.
- Provide "in lieu" provision in such cases, under which the contractor or vendor would provide appropriate compensation to employees until equal benefits are implemented
- Phase-In approach as follows:
 - Year One: Ordinance would apply to City public works, construction or improvements contracts and contracts for the purchase of goods or services over \$100,000.
 - After one year, the City Manager will provide a report to the City Council on the implementation of the ordinance and make a recommendation if the contract threshold should be lowered, and to what amount.
- Apply to new leases of public property in which the City is lessor where the City receives more than \$350,000 in annual gross receipts. Would not apply to leases in which the City is lessee; would not apply to subtenants. Would apply to new leases only, not options to extend.
- Harbor, Water, Redevelopment and Housing Development Company boards not affected by this ordinance; could adopt EBO separately. The City Council requests that the City Manager forward the City's ordinance to these boards with a request that they consider adopting a similar policy.