



ATTACHMENT I

SCOPE OF WORK

- (1) *Literature Review:* To inform the current debate in the Los Angeles region, several studies have been commissioned by interested parties. These studies, along with other contemporary research related to minimum wage increases in large metropolitan areas, will be reviewed and assessed with a specific consideration of how their merits relate to existing conditions in the City of Long Beach if a comparable minimum wage policy were to be adopted. This review will include a scan of best practices of municipalities having implemented a minimum wage policy in addressing impacts on businesses, such as, for example, offering offsetting incentives, tax and fee forgiveness or preferences in contracting, and will include to the extent possible existing and proposed wage and hours enforcement practices and processes at the municipal level.
- (2) *Socioeconomic Conditions in the City of Long Beach:* Home to the second-largest container port in the nation and a robust manufacturing sector, as well as bustling entertainment and tourism industries, the City abounds in opportunity—yet faces the twin challenges of unemployment and poverty still lingering from the Great Recession. The economic environment will be described and socioeconomic characteristics of the population detailed and reviewed.
- (3) *Regional Dynamics:* The City of Long Beach borders several cities in Los Angeles and Orange counties, many of which supply workers for jobs in the City and provide jobs for workers that live in the City. Indeed, with the existing flow of workers across borders, approximately 75 percent of the jobs in the City are held by residents of other cities at the same time that 78 percent of working residents of Long Beach hold jobs outside the City. An implementation of a minimum wage ordinance that is not similarly adopted in other labor markets and employment centers will impact the movement of jobs and workers across municipal boundaries. These expected impacts will be assessed and evaluated qualitatively.
- (4) *Business Survey:* There are approximately 15,000 businesses in the City of Long Beach providing employment opportunities for more than 140,000 workers. To gain some understanding of how these businesses expect to respond to a change in the policy governing their wage payments, a survey will be conducted with a random sample of 600 businesses (sufficient to generate statistically significant results at a +/- 4.5 percent margin of error). The survey will be conducted by an independent opinion polling firm.