

UPDATE ON REGIONAL MINIMUM WAGE

City Council Meeting

March 2, 2016



Current Minimum Wages in the Bay Area in 2016

- Mountain View \$11.00 SFCMSA-U adjustment in August
- Palo Alto \$11.00 CPI-U SFCMSA-U adjustment in August
- San Jose \$10.30 CPI-U National adjustment in August
- Santa Clara \$11.00 CPI-U National adjustment in August
- Sunnyvale \$10.30 CPI-U National adjustment in August

Other Recent Activity in California on Minimum Wage

- Pasadena is looking to pass an ordinance in March 2016 for a stepped minimum wage increase starting in 2016 at \$10.50 (LACMSA-U adjusted after 2022)
- Santa Monica passed an ordinance in January 2016 for a stepped minimum wage increase starting in July 2016 to \$13.25

Consumer Price Indices

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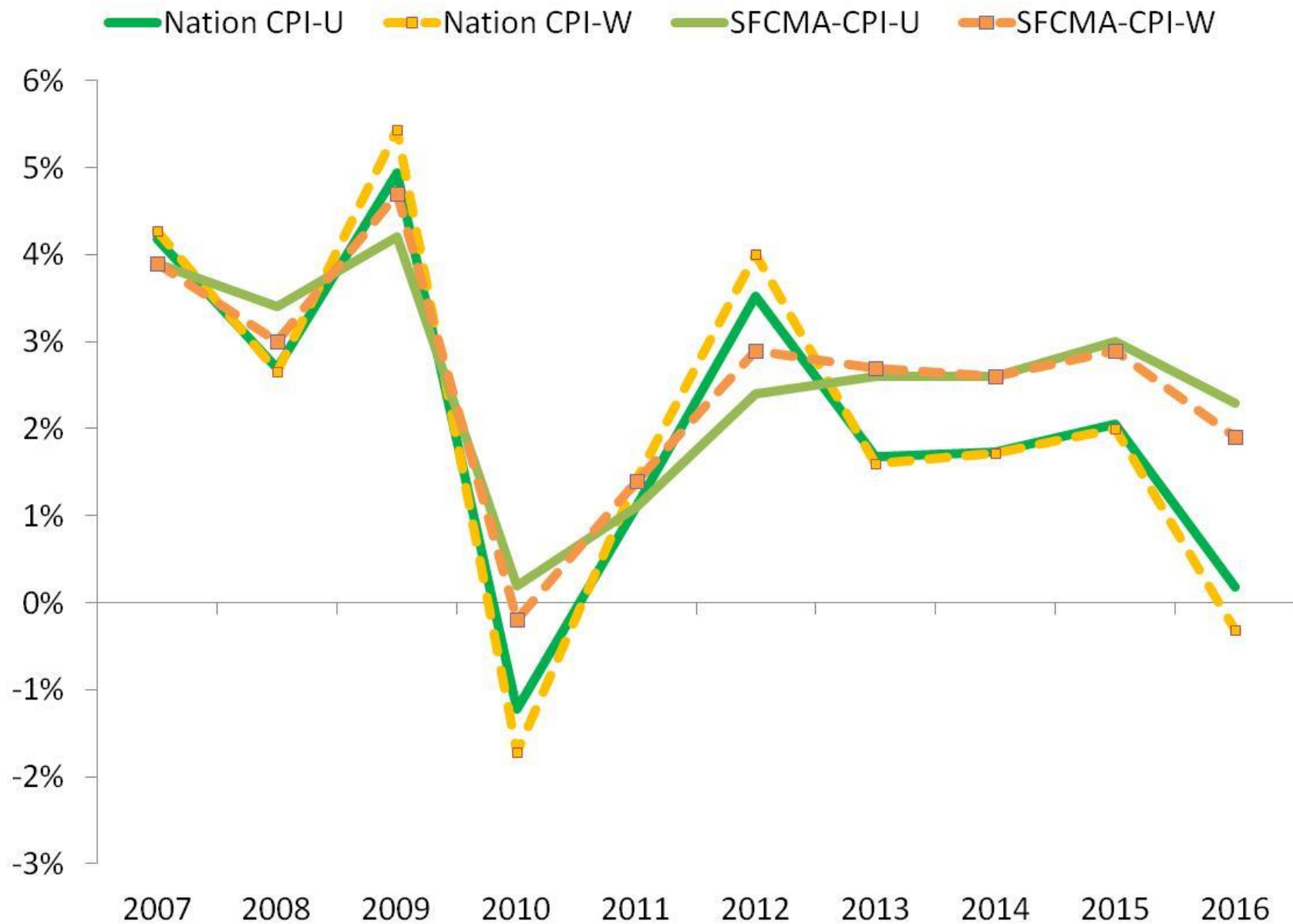
A. Consumer Price Index for All Urban Consumers (CPI- U)

Represents about 87 percent of the total U.S. population. It is based on the expenditures of residents of urban or metropolitan areas, including professionals, the self-employed, the poor, the unemployed, and retired people, as well as urban wage earners and clerical workers.

B. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI- W)

Includes CPI-U households that also meet two requirements: more than one-half of the household's income must come from clerical or wage occupations, and at least one of the household's earners must have been employed for at least 37 weeks during the previous 12 months.

Historical Average Price Change in CPI is 2%



CPI Adjustment Varies on California Minimum Wage

| | Nation CPI-U | Nation CPI-W | SFCMA CPI-U | SFCMA CPI-W |
|-------------|-----------------|-----------------|----------------|----------------|
| 2006 | \$6.75 | \$6.75 | \$6.75 | \$6.75 |
| 2007 | \$7.50 | \$7.50 | \$7.50 | \$7.50 |
| 2008 | \$8.00 | \$8.00 | \$8.00 | \$8.00 |
| 2009 | \$8.39 | \$8.44 | \$8.34 | \$8.38 |
| 2010 | \$8.39 | \$8.44 | \$8.35 | \$8.38 |
| 2011 | \$8.48 | \$8.56 | \$8.44 | \$8.50 |
| 2012 | \$8.78 | \$8.90 | \$8.65 | \$8.74 |
| 2013 | \$8.93 | \$9.05 | \$8.87 | \$8.98 |
| 2014 | \$9.09 | \$9.20 | \$9.10 | \$9.21 |
| 2015 | \$9.27 | \$9.39 | \$9.38 | \$9.48 |
| 2016 | \$10.00 | \$10.00 | \$10.00 | \$10.00 |