

Bliss, Sandi

From: M. Mills-Thysen <millsthysen@sonic.net>
Sent: Wednesday, October 2, 2019 6:20 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] \$15 by 2020 YES!

We strongly support this Lon over due minimum wage and urge you to do the same.
Thank you.

Sent from my iPhone

Bliss, Sandi

From: Rick Luttmann <luttmann@sonoma.edu>
Sent: Wednesday, October 2, 2019 10:29 AM
To: CityCouncilListPublic
Subject: [EXTERNAL] Last night: Jobs WITH JUSTICE

Congratulations, Santa Rosa City Council. You done the right thing!

Last night was a beautiful example of democracy in action. Probably 150 people in the chambers, overwhelmingly in support, and through the organizations they belong to representing thousands of others.

And most of us are neither employers nor low-wage employees. We don't have a pony in this race. We are simply concerned citizens striving to make sure that the least powerful in our community are treated fairly.

Any business that can't stay in business without sending its employees home with a paycheck so meagre they have to sleep under bridges is badly in need of a new business plan!

It is unconscionable to expect the lowest-paid workers in our community to subsidize, through their exploited labour, the purchasing and selling of goods and services by people far more affluent than they are.

Rick Luttmann, member of Executive Committee, North Bay Jobs with Justice

Sent from my iPhone

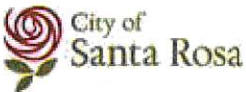
Bliss, Sandi

From: City Clerk
Sent: Wednesday, October 2, 2019 7:33 AM
To: Manis, Dina; Bliss, Sandi
Subject: FW: [EXTERNAL] 10/1/19 city council meeting

FYI

Gretchen Emmert | Records Management Technician

City Manager's Office | 100 Santa Rosa Avenue, Room 10 | Santa Rosa, CA 95404
Tel. (707) 543-3018 | Fax (707) 543-3030 | gemmert@srcity.org



From: Fred Allebach <fallebach@gmail.com>
Sent: Tuesday, October 01, 2019 8:34 PM
To: City Clerk <cityclerk@srcity.org>
Subject: [EXTERNAL] 10/1/19 city council meeting

Hello,

I would like to send a message to the city council that I do not condone the behavior of the guy who said profanity to the police during the \$15 agenda item. That person was disrespectful and out of line; his behavior stood counter to the message of all the people coming to support \$15; I hope you were able to look past his behavior as an aberration. I can't support that person's behavior and condemn it.

best regards,

Fred Allebach

Sonoma Valley Housing Group

"We don't know where we're going, but we have to stick together in case somebody gets there." Ken Kesey



Bliss, Sandi

From: Terri Stark <terri@starkrestaurants.com>
Sent: Tuesday, October 1, 2019 2:12 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] Proposed Minimum Wage Increase
Attachments: City Council Letter.docx

Please accept the attached Response for this afternoons meeting on the proposed wage increase.
Sincerely,

--

Terri Stark
Owner
Stark Reality Restaurants
521 Adams Street
Santa Rosa, CA 95401
707-576-9610 (phone)
707-576-9696 (fax)

Our Finances / Current vs. Proposed \$3 increase

(because we offer very competitive wages and have offered insurance to all employees since day one, we generate a smaller bottom line than most.)

Monti's:

Operates currently at a 1.00% profit

Adjusted net profit after minimum wage increase: (-2.2%)

Bird & the Bottle:

Operates currently at a 2.1% profit

Adjusted net profit after minimum wage increase: (-2.5%)

Stark Steakhouse:

Operates currently at a 7.7% profit

Adjusted net profit after minimum wage increase: (4.8%)

Willi's Wine Bar:

Operates currently at a 3.4% profit

Adjusted net profit after minimum wage increase: (0%)

Other factors:

Recession Looming: not the time to be raising prices significantly

Insurance increases: Post fire insurance premiums up over 5%

Health Care insurance premiums: Up a minimum of 4.3%

Steps to recover revenue if the \$3 increase is approved:

Raise prices by 10%. This will have a negative effect with guests, and tipped employees will enjoy more of an increase.

Reduction in positions: We would most likely scale back on management as well as reduce tipped employee staff. The remaining tipped employees will, once again see an increase. Less tipped employees to share tips from revenue.

Eliminate Charitable Community contributions: Annually we contribute over \$200,000 to our community thru fundraisers and direct contributions.

Revamp our current benefits package for Salaried Staff

Reccommendation

It would be preferable, at this time, for the council to simply allow the current CA timeline proceed. That would give us more time to adjust to the new realities and formulate adequate responses with less impact on all.

Bliss, Sandi

From: CMOOffice
Sent: Thursday, October 3, 2019 3:05 PM
To: De La Rosa, Raissa
Cc: Guhin, David; Lienau, Serena; Cleary, Eileen; Bliss, Sandi
Subject: FW: [EXTERNAL] \$15 hr minimum wage

Good afternoon,

FYI only. If you choose to respond please copy me.

Sandi will upload.

Kali Mahre I Senior Administrative Assistant

City Manager's Office | 100 Santa Rosa Avenue, Room 10 | Santa Rosa, CA 95404

Tel. (707) 543-3011 | Fax (707) 540-3030 | kmahre@srcity.org

Please note, if you do not receive a reply on a Tuesday afternoon, I am assisting with the City Council meeting.



The City Manager's Office is closed every Friday.

-----Original Message-----

From: Brenda Harris <20bharris18@gmail.com>
Sent: Tuesday, October 1, 2019 1:17 PM
To: CMOOffice <CMOffice@srcity.org>
Subject: [EXTERNAL] \$15 hr minimum wage

Re: today's vote for the \$15 hr minimum wage, I wholeheartedly support it!!

Cordially,

Brenda Harris, a very long time resident of Santa Rosa

Sent from my iPad

Bliss, Sandi

From: Manis, Dina
Sent: Tuesday, October 1, 2019 1:10 PM
To: Alison Piccoli
Cc: Bliss, Sandi; Mahre, Kali
Subject: RE: [EXTERNAL] FW: CRA Letter, Phone Meeting Request

Thank you, Alison. I'll be sure it is made part of the permanent record.

Sincerely,

Dina Manis | Acting City Clerk
City Clerk's Office | 100 Santa Rosa Avenue | Santa Rosa, CA 95404
Tel. (707) 543-3126 | Fax (707) 543-3030 | dmanis@srcity.org



From: Alison Piccoli <apiccoli@calrest.org>
Sent: Tuesday, October 1, 2019 1:06 PM
To: Manis, Dina <dmanis@srcity.org>
Subject: [EXTERNAL] FW: CRA Letter, Phone Meeting Request

Hi Dina,

Just forwarding you an email I sent to the mayor. Similar copies of this email has been sent to the rest of the Council as well.

Thanks!
Alison

Best Wishes,

Alison Piccoli
Director, Local Government Affairs – Bay Area Region



Alison Piccoli
California Restaurant Association
PO Box 5614
San Jose, CA 95150

C: 650.288.8235

apiccoli@calrest.org

www.calrest.org

Membership matters.

Confidentiality note:

This electronic message transmission contains information from the California Restaurant Association which may be confidential or privileged. The information is intended to be for the use of the individual or entity named above. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited.

If you have received this electronic transmission in error, please immediately notify us by telephone at 800.765.4842

From: Alison Piccoli
Sent: Tuesday, October 1, 2019 1:04 PM
To: Schwedhelm, Tom <tschwedhelm@srcity.org>
Subject: CRA Letter, Phone Meeting Request

Hello Mayor Schwedhelm,

Hope this email finds you well!

Attached is the CRA's letter of response to tonight's discussion of the local minimum wage ordinances – it highlights some concerns and unintended consequences we fear will arise in Santa Rosa if this policy is passed.

I am planning on attending this evening, and I wanted to reach out and see if you were available for a quick phone meeting this afternoon before the Council meeting. I will be en route to Santa Rosa soon (I am based out of San Jose, and I will be driving up) and I'll have some time to chat 1:1 beforehand.

Let me know if you are available, even to say a quick hello before the formal hearing.

Thanks in advance,
Alison Piccoli

Best Wishes,

Alison Piccoli
Director, Local Government Affairs – Bay Area Region



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California Restaurant Association

PO Box 5614
San Jose, CA 95150

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Bliss, Sandi

From: dennis pocekay <dpocekay@comcast.net>
Sent: Tuesday, October 1, 2019 11:05 AM
To: _CityCouncilListPublic
Subject: [EXTERNAL] \$15 min wage

Hi council people-

I am a Petaluma resident, hoping that you will pass an accelerated \$15 min wage ordinance, similar to what Sonoma, Petaluma, and now Novato have already accomplished. It is simply the least we can do when we are doing very little to increase the affordable housing supply in the county, as it moves the thousands affected a little closer to being able to afford local rents! Thx for your consideration, Dennis Pocekay Petaluma

Bliss, Sandi

From: matt@zoftigeatery.com
Sent: Tuesday, October 1, 2019 10:12 AM
To: _CityCouncilListPublic
Cc: De La Rosa, Raissa
Subject: [EXTERNAL] FW: Minimum Wage Increase
Attachments: minimum increase.docx

-----Original Message-----

From: "matt@zoftigeatery.com" <matt@zoftigeatery.com>
Sent: Tuesday, October 1, 2019 12:09pm
To: citycounsel@srcity.org
Cc: rdelarosa@srcity.org
Subject: Minimum Wage Increase

www.zoftigeatery.com

Please see attached letter concerning the proposed minimum wage increase.

Thank you,
Matt Spector
Zoftig Eatery
www.zoftigeatery.com
(707)521-9554
57 Montgomery Dr.
Santa Rosa CA 95404

Lunch-Dinner-Catering

10/01/2019

To the Santa Rosa City Council,

My name is Matt Spector my wife Sonjia and I own Zoftig Eatery on 57 Montgomery Dr. in Santa Rosa. I write you today to express our concern about your proposed minimum wage increase.

When we opened a year and a half ago, we were well aware of the federal minimum wage increase. Our business plan reflects that incremental increase as well as the natural growth of our business. This is our third restaurant venture and know all to well that growth rarely comes in double digit percentage points. More commonly they come in single digits with extended periods of no growth at all where the line remains flat. We have not yet seen steady profit to where we can start to pay ourselves. The \$12 employee makes more than I do. Our books are open we would be happy to share. I think you may be shocked at the money invested and the daily operating costs of a small business in this town.

Since opening we have grown our staff from seven employees to fifteen. Our hourly rate ranges from \$12-18 per hour plus tips. Essentially the \$12 per hour employee is making \$15 when we add tips to their payroll. Tips are not accounted for in this state and they should be.

Your proposed 27% pay increase would effectively prohibit us from growing any further.

We will not be able to hire more employees.

We will have to limit the service provided to our guests.

I believe in small business. I believe if this bill passes you will have a city with nothing but chain restaurants and big box stores. This bill will kill small unique family owned business in our town.

Sincerely,

Matt Spector
Chef Owner
Zoftig Eatery
matt@zoftigeatery.com
707-738-3558

Bliss, Sandi

From: City Clerk
Sent: Tuesday, October 1, 2019 9:45 AM
To: Bliss, Sandi
Subject: FW: [EXTERNAL] Please Pass the Minimum Wage Ordinance

Didn't see you on the distribution for this one

Gretchen Emmert | Records Management Technician

City Manager's Office | 100 Santa Rosa Avenue, Room 10 | Santa Rosa, CA 95404
Tel. (707) 543-3018 | Fax (707) 543-3030 | gemmert@srcity.org



From: Shirlee Zane <Shirlee.Zane@sonoma-county.org>
Sent: Tuesday, October 01, 2019 9:41 AM
To: Schwedhelm, Tom <tschwedhelm@srcity.org>
Cc: City Clerk <cityclerk@srcity.org>; Manis, Dina <dmanis@srcity.org>; Shirlee Zane <Shirlee.Zane@sonoma-county.org>
Subject: [EXTERNAL] Please Pass the Minimum Wage Ordinance

Mayor Schwedhelm and City Council Members,

Please pass the Ordinance adding Chapter 10-45 to the Santa Rosa City Code to establish minimum wages to be paid by employers within the City of Santa Rosa.

Santa Rosa and Sonoma County has one of the highest costs of living in the country and we are increasingly in danger of losing our workforce that provides services for our growing aging population. Also our hospitality businesses are struggling to recruit and retain workers. Our community is struggling to live, be sheltered and have sufficient food and healthcare.

I strongly urge you to follow similar actions taken by neighboring jurisdictions and expedite the State timeline in raising the minimum wage.

Thank you.

dmanis@srcity.org – Dina Manis
CityClerk@srcity.org

Sincerely,

Shirlee Zane
Sonoma County Supervisor
Third District
#SonomaCountyStrong



Bliss, Sandi

From: pamela letourneau <pajlet5@gmail.com>
Sent: Tuesday, October 1, 2019 8:40 AM
To: CityCouncilListPublic
Subject: [EXTERNAL] Raise the wage

For all those whose labor we profit from, please raise their wage so they may continue to live in our city. The choice for workers is less health coverage, less food in the pantry or transportation to work. The choices for business are far more livable.

Pam L.

Bliss, Sandi

From: jenny cecilia <cecifish@hotmail.com>
Sent: Tuesday, October 1, 2019 8:18 AM
To: CityCouncilListPublic
Subject: [EXTERNAL] Local Family doc asking you to Raise the Wage!

Dear City Council,

As a local Family Physician that cares for the underserved here in Santa Rosa, I see the effects of low wages and financial insecurity on my patient's health and safety every single day. Especially here in Sonoma County where the cost of living is unsustainable for so many of our community. Housing and food instability have detrimental effects on our community's health. Increasing the Minimum wage to \$15 will make an extraordinary difference. Including the cost-of-living yearly raise will make the difference last.

I am a member of HPEACE, a local health professionals activism group. Unfortunately, I will not be able to attend the City Council meeting tonight due to my work schedule. However, I wanted my voice heard, both as a local MD and as someone who lives in Santa Rosa.

Please, vote to do what's right for the health of our community. Vote to raise the minimum wage to \$15 with a yearly adjustment for cost of living.

Sincerely,

Jennifer Fish, MD
Santa Rosa, district 5

Sent via the Samsung Galaxy S9+, an AT&T 5G Evolution capable smartphone

Bliss, Sandi

From: City Clerk
Sent: Tuesday, October 1, 2019 7:36 AM
To: Manis, Dina; Bliss, Sandi
Subject: FW: [EXTERNAL] public comment for 10/1/19 city council meeting
Attachments: SR city council public comment.docx

Gretchen Emmert | Records Management Technician

City Manager's Office | 100 Santa Rosa Avenue, Room 10 | Santa Rosa, CA 95404
Tel. (707) 543-3018 | Fax (707) 543-3030 | gemmert@srcity.org



From: Fred Allebach <fallebach@gmail.com>
Sent: Tuesday, October 01, 2019 7:19 AM
To: City Clerk <cityclerk@srcity.org>
Subject: [EXTERNAL] public comment for 10/1/19 city council meeting

Fred Allebach
Sonoma Valley Housing Group
10/1/19 public comment for Santa Rosa City Council expedited minimum wage ordinance.

The cost of living in Santa Rosa and Sonoma County has risen dramatically in the last 10 years and wages have not kept pace. I am writing to strongly encourage you to adopt an expedited \$15 minimum wage ordinance.

AMI (area median income) explained

What are mid-range jobs? Jobs that pay in the AMI spectrum. 2018, 100% AMI was \$68,000 for a family of two and \$81,000 for a family of four.

In 2019, AMI has gone up to \$74,650 for a family of two, and \$93,300 family of four. It is unconscionable to mask poverty and raise AMI levels when the lower-end earners have seen nothing but eroding wages.

Hourglass economy

What we have is an "hourglass economy", with the middle hollowed out, and the base and top overly represented. The old middle class has disappeared. Area medium income is in effect, the new middle class, but the money earned is still not enough to keep up with the cost of living. In order to have what would be considered a comfortable, middle class quality of life, earnings need to be 120% AMI and above. Those below are burdened by costs they can't afford, especially those who make minimum wage.

Mid-level earnings lost in the hourglass economy end up costing society as a whole more, in the form of increased health care costs, welfare, lower educational outcomes, and higher crime rates. In sustainability studies, it is demonstrated that *upstream investment* reduces systemic costs and impacts. This is why raising the minimum wage to \$15 by 2020, and then higher later, is important.

Burdens

Minimum wage workers serve Sonoma's wine-tourism-hospitality economy, our largest sector. These workers live in the Roseland area and/or commute from regional lower rent areas. For these workers, life is paycheck to paycheck, long hours, two jobs, two parents working. Debt is up, more time is spent commuting, with consequent transportation greenhouse gas impacts.

Benefits, justification

It is clear that workers in Sonoma need help. Raising the minimum wage ASAP is an obvious solution to a progressive loss of earnings and quality of life. Business interests have gotten all kinds of assists from local government. It is right and fair for workers to get an ongoing assist too.

\$15 will put \$3000 more a year in the pockets of low wage earners. This is \$3000 more money to spend, to stimulate the economy, and to ripple up to other wages. \$15 will make housing more affordable. Affordable housing increases all other quality of life indicators.

Context for \$15

The state of California has in place a raise to \$15 in minimum wage by 2023. What is proposed now is \$15 by 2020 in many cities simultaneously in the North Bay region. There is real momentum now, with Sonoma, Petaluma and Novato. It's obvious Santa Rosa needs to fall in line with what is right and just.

Case for \$15

In the last election, a critical number of county candidates won who support social and environmental justice issues. The tide is coming in to support on an expedited \$15 Santa Rosa city-wide minimum wage ordinance.

Why \$15 and not more?

A regional labor market is the focus this time, not isolated local labor markets. The plan is to bring up the wage floor regionally, and catch the most people in a wide net for a greater effect. This incremental, bottom-up approach makes a do-able political lift. Politics is the art of the possible, not the impossible.

Future work, the fight for \$18 and up

What is minimally necessary, but too heavy a lift to do regionally now, is \$23 an hour. \$23 is a conservative number. \$28 is the real minimum wage necessary on the county.

A fully regional, county-wide \$15 minimum wage, would also include farmworkers. This will be a heavy lift. These larger goals have to be worked up to, with \$15 first in a number of cities. Then the fight for \$15 regionally will lead to the fight for \$18, and become the route to \$23, and so on in all labor sectors, until the minimum wage is a living wage.

Possible negatives

It's possible that by raising the wage floor, rent seekers will just raise costs in a cat and mouse game, that will eat up all the gains made by workers. Trickle down has been illusory, ripple up may be too.

Do the right thing

People need basic resources to live, not a constant erosion of their quality of life. It's time to step up and give an assist to workers. It's the right thing to do. Upstream investment is smart. The system will have to adjust, as

it is not morally right for workers to suffer so many cost burdens in one of the wealthiest areas of the country. If trickle down has proven to be an illusory fiction, time to try ripple up!

"We don't know where we're going, but we have to stick together in case somebody gets there." Ken Kesey

Burdens

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Bliss, Sandi

From: louisag87@yahoo.com
Sent: Tuesday, October 1, 2019 10:54 AM
To: CityCouncilListPublic
Subject: [EXTERNAL] Regarding \$15 Min Wage

As a constituent I am urging you to vote yes on \$15 by 2020.
I actually think that amount is too low, but at least we need to
change the minimum to that.

Thank you for your efforts regarding this matter.

Louisa

Bliss, Sandi

From: Debora Hammond <hammond@sonoma.edu>
Sent: Tuesday, October 1, 2019 12:18 PM
To: CityCouncilListPublic
Subject: [EXTERNAL] Support for \$15 minimum wage

Greetings,

I am writing to express my support for the \$15 minimum wage. Unfortunately I am unable to attend the council meeting this afternoon, so I am writing to urge you to pass this important piece of legislation.

Given the increasing costs of living in Sonoma County, and the failure of wages to keep up, it is well past time to assure that the poorest members of our community are provided with at least a modest increase in their income.

Although some may raise concerns that this will adversely affect local businesses, this has not been the case in other areas where similar legislation has passed. With additional income, those at the bottom of the economic ladder will have more disposable income to spend in the local community.

Of all of the statistics that I have read about this issue, there are a couple that I find particularly concerning. From 1979 to 2016 inflation adjusted wages remained flat for the bottom 60%, while they actually dropped 11% for the bottom 20%. And while median rents increased by 25% between 2000 and 2016, median incomes for renters increased 9%.

While the \$15 minimum wage will only go so far, it is a critical start toward a more equitable economy.

Thank you for your consideration.

Debora Hammond
Professor Emerita
Sonoma State University

Bliss, Sandi

From: Jacob Rich <jerichsalud@gmail.com>
Sent: Tuesday, October 1, 2019 6:55 AM
To: _CityCouncilListPublic
Subject: [EXTERNAL] Minimum Wage

Dear City Council,

I urge you to please support increasing the minimum wage to \$15 by 2020. The cost of living has dramatically outpaced wages for too long.

Thank you,

Jacob Rich
717 Agnew Place SR 95401

Sent from my iPhone

Bliss, Sandi

From: Jerica Renazco <jericalinn91@gmail.com>
Sent: Monday, September 30, 2019 11:57 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] Support for Accelerated Minimum Wage in Santa Rosa

Hello Santa Rosa City Council,

My name is Jerica Renazco. I'm 28 years old and a resident of Novato. During my leisure time, I patronize businesses throughout the bay, including Santa Rosa. The people that work to provide our comforts, conveniences and services, do so with little recognition. As someone who grew up under low-income circumstances, I struggle making ends meet for myself and my aging mother. It was hard then and remains hard now.

Working parents with school age children might find a few more hours of quality time throughout the week with increased wages, or be able to afford an emergency car repair without sacrificing 3 days worth of meals to make it happen. As a long time neighbor to the people of Santa Rosa, I fully support Santa Rosa's accelerated minimum wage roll-out. Of course continued patronage to local Santa Rosa businesses is a must, and personally, I'm happy to pay more for great products food and services from equitable businesses.

Thank you for your attention to this matter.

Best Regards,
Jerica Renazco

Bliss, Sandi

From: Central Bookkeeping <mail@centralbooks.net>
Sent: Monday, September 30, 2019 10:07 PM
To: CityCouncilListPublic
Subject: [EXTERNAL] RE: Proposed Minimum Wage Increase Analysis
Attachments: Local restaurant owner explains why so many San Francisco restaurants are closing.pdf

Greetings City Council Members!

Apparently, many San Francisco restaurateurs have closed their doors due to the recent increases to the Minimum Wage there. See recent article attached.

Let's not let this happen in Santa Rosa as well.

Michael Hirschberg
Centralbooks
t. 707.527.5565
f. 707.527.5536

From: Central Bookkeeping
Sent: Monday, September 30, 2019 4:42 PM
To: 'citycouncil@srcity.org' <citycouncil@srcity.org>
Subject: Proposed Minimum Wage Increase Analysis

To: Tom Schwedhelm
Chris Rogers
Julie Combs
Victoria Fleming
Ernesto Olivares
John Sawyer
Jack Tibbetts

As a Santa Rosa resident with 30 years of experience in the restaurant business, and 15 years of experience handling the bookkeeping duties for 20 Santa Rosa restaurateurs, I was surprised to hear of the Minimum Wage Increase currently being considered by the Council.

For reasons, perhaps not clear to the average person, this Minimum Wage increase would have a devastating effect on all of the Table Service restaurants operating in our City, and actually make it more difficult for them to raise the wages of their lowest-paid Employees.

I ask that you take a moment to review the brief Analysis that I have prepared in advance of tomorrow night's Meeting.
See attached.

I look forward to seeing you all there.

Many thanks for your service to our community!

Michael Hirschberg / Partner

Centralbooks

t. 707.527.5565

f. 707.527.5536

Local restaurant owner explains why so many San Francisco restaurants are closing

By Liz Kreutz

SAN FRANCISCO (KGO) -- A recent story by ABC7 News about the string of restaurants closing in San Francisco generated a lot of response.

So, we wanted to look into this issue deeper. What's going on that's hurting local restaurants?

We sat down with Stacy Jed-- the co-owner of Bluestem Brasserie and the President of the Golden Gate Restaurant Association-- to get her take.

According to Jed, historically in San Francisco, there has been an equal number of restaurant openings and closings every year. But that's no longer the case.

"About two years ago, we started to see this trend starting where we're seeing more closings than openings," Jed explained. "We're on track for nine percent less closings than openings. And we don't know what 2019 will bring."

The Golden Gate Restaurant Association looked at numbers from Yelp and found that last year 325 restaurants in San Francisco closed versus 298 that opened. They anticipate this year there will be even more closures, despite what's considered to be a strong economy.

A factor in these closures is changing eating habits and the rise in food delivery services, however, restaurants owners like Jed are quick to point out there's more to the issue.

To start, Jed explained, opening a restaurant in San Francisco is in and of itself challenging.

"If you're opening a restaurant, you have an average of 22 permits you have to file and pay for," she said. "Then once you get your doors open, the cost of labor and healthcare have really dampened the sustainability of restaurants in the city."

Over the past five years, minimum wage has gone up \$1.00 every year. Jed explained that when an employer adds in benefits it comes out to roughly an additional \$1.30. For Jed, who has 90 employees, that has translated to an additional \$30,000 a month increase to her bottom line of labor.

"So for each year of dollar increase, \$30,000 increase, cumulative \$60,000 increase, cumulative \$120,000 increase," she said, "And you start to do the math, if you're not bringing in more income, you're at a net zero gain."

Additionally, retail stores closing has also impacted many restaurants, which lose foot traffic if they're surrounded by empty storefronts. And there's a labor shortage. People can't afford to live in San Francisco.

"It's a compounded issue. We have not only rising costs to the business translating to reducing hours for them to be able to work, but we also have a rising cost in our rent, we have rising cost in food costs, we have rising cost in the rent our staff are able to live here," she said. "So everything has increased, and it's just making it unsustainable."



Bliss, Sandi

From: Rachael Tapper-Dame <rachaeltapperdame@outlook.com>
Sent: Monday, September 30, 2019 9:01 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] Minimum wage

Dear City Council,

I am writing to urge you to vote to raise the minimum wage to \$15 in Santa Rosa when it comes up for a vote [this coming Tuesday](#).

I live, work and go to school in Santa Rosa and find it hard to make ends meet on less than \$15 an hour. Increasing the minimum wage would greatly benefit those of us who struggle daily to survive the high prices of Sonoma County. Please make this change that would help so many lives in Santa Rosa!

Thank you!
Rachael Tapper-Dame

Bliss, Sandi

From: H PEACE <hpeacesantarosa@gmail.com>
Sent: Monday, September 30, 2019 8:52 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] A living wage saves lives

Esteemed City Council -

Below is a link is a powerful article on how a living wage saves lives. We, health care professionals of Sonoma County, urge you do the right thing - it is so critical in so many ways!

"A living wage is an antidepressant. It is a sleep aid. A diet. A stress reliever. It is a contraceptive, preventing teenage pregnancy. It prevents premature death. It shields children from neglect."

- <https://www.nytimes.com/interactive/2019/02/21/magazine/minimum-wage-saving-lives.html>

H-PEACE

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Bliss, Sandi

From: Central Bookkeeping <mail@centralbooks.net>
Sent: Monday, September 30, 2019 4:42 PM
To: _CityCouncilListPublic
Subject: [EXTERNAL] Proposed Minimum Wage Increase Analysis
Attachments: Proposed Minimum Wage Increase.pdf

To: Tom Schwedhelm
Chris Rogers
Julie Combs
Victoria Fleming
Ernesto Olivares
John Sawyer
Jack Tibbetts

As a Santa Rosa resident with 30 years of experience in the restaurant business, and 15 years of experience handling the bookkeeping duties for 20 Santa Rosa restaurateurs, I was surprised to hear of the Minimum Wage Increase currently being considered by the Council.

For reasons, perhaps not clear to the average person, this Minimum Wage increase would have a devastating effect on all of the Table Service restaurants operating in our City, and actually make it more difficult for them to raise the wages of their lowest-paid Employees.

I ask that you take a moment to review the brief Analysis that I have prepared in advance of tomorrow night's Meeting.

See attached.

I look forward to seeing you all there.

Many thanks for your service to our community!

Michael Hirschberg / Partner

Centralbooks

t. 707.527.5565

f. 707.527.5536



3510 Unocal Pl Santa Rosa, CA 95403 / 707.527.5565 mail@centralbooks.net

To: All Members of Santa Rosa City Council
From: Michael Hirschberg, Partner Centralbooks LLC
Subject: Resolution to Increase the Minimum Wage from \$12 to \$15

Purpose:

To illustrate the financial effects of Increasing the Minimum Wage by 25% in Table Service Restaurants

Michael Hirschberg Experience

From 1974 through 2003 - Owner of several restaurants in Santa Rosa
Since 2003 - a Partner in CentralBooks, specializing in Bookkeeping for Restaurant companies
Of Centralbooks' 50 Clients, 20 are in business in the City of Santa Rosa

Appearance vs Reality

It would appear that raising the Minimum Wage would help the lowest-paid restaurant employees
However, in most cases, the only Employees currently being paid Minimum Wage are the Tipped Employees
Nearly all of the non-tipped Staff (cooks, dishwashers, etc.) are already being paid \$15. per hour
So, a \$3/hour increase in the Minimum Wage only benefits those employees already receiving Tips
and creates a burden making it even more difficult to provide raises for the lowest paid employees.

Basic Restaurant Finances

For most Restaurants, their largest cost is Payroll, including Wages, Payroll Taxes, and WorkersComp Insurance
Well-run restaurants strive to keep their Payroll Cost at 40% of their Income and their Profit Margin at 6%

A 25% increase to the Wages paid the Tipped Employees would take Payroll Costs from 40% to 44%
and would take the Profit Margin from 6% down to 2%

Detailed Profit/Loss Statements

To clarify the Basic Finances scenaria outlined above, please see the Detailed Profit/Loss Statements attached.
The three Samples are taken from three different sized Santa Rosa restaurants - one in each Column.
No matter the size of the restaurant, the increase in Payroll expenses results in severe damage to the net profit.

Other Points

Santa Rosa restaurants are already struggling as proven by the recent failures.
Several Santa Rosa restaurants are closed and many others are on the market (some unofficially).
But there are no Buyers interested in going in at this time.
An increase in the Minimum Wage and a possible Recession on the horizon, will only make matters worse.

The proposed \$3.00 increase is unprecedented in California history. (See History attached)
The 5% and 10% increases of the past few years have been difficult - a 25% increase would prove debilitating!

Recommendation

It would certainly be preferable, at this time, for the Council to simply allow the current CA timeline proceed.
That would give Santa Rosa Restaurateurs more time to adjust to the new realities and formulate adequate responses.

Annual Profit & Loss Comparisons

Before/After 25% Minimum Wage Increase

BEFORE	Small Restaurant Current		Medium Restaurant Current		Large Restaurant Current	
Ordinary Income/Expense						
Income						
Sales	670,000.00	100.0%	1,700,000.00	100.0%	3,500,000.00	100.0%
Cost of Goods Sold	238,000.00	35.5%	487,000.00	28.6%	1,150,000.00	32.9%
Gross Profit	432,000.00	64.5%	1,213,000.00	71.4%	2,350,000.00	67.1%
Expense						
Payroll Expenses						
Management Salaries	0.00	0.0%	86,000.00	5.1%	404,000.00	11.5%
Dining Room Wages	51,600.00	7.7%	196,000.00	11.5%	348,000.00	9.9%
Kitchen Wages	135,000.00	20.1%	330,000.00	19.4%	493,000.00	14.1%
Sick Pay	400.00	0.1%	3,500.00	0.2%	8,000.00	0.2%
Healthcare	0.00	0.0%	0.00	0.0%	39,000.00	1.1%
Payroll Taxes	21,700.00	3.2%	74,000.00	4.4%	140,000.00	4.0%
Workmens' Comp	5,800.00	0.9%	23,000.00	1.4%	28,000.00	0.8%
Total 6560 · Payroll Expenses	214,500.00	32.0%	712,500.00	41.9%	1,460,000.00	41.7%
Occupancy	75,000.00	11.2%	154,000.00	9.1%	304,000.00	8.7%
Financial	40,000.00	6.0%	88,000.00	5.2%	124,000.00	3.5%
Supplies	26,500.00	4.0%	75,000.00	4.4%	130,000.00	3.7%
Operations	45,000.00	6.7%	78,000.00	4.6%	185,000.00	5.3%
Total Expense	401,000.00	59.9%	1,107,500.00	65.1%	2,203,000.00	62.9%
Net Ordinary Income	31,000.00	4.6%	105,500.00	6.2%	147,000.00	4.2%
<hr/>						
AFTER INCREASE	New Minimum		New Minimum		New Minimum	
Ordinary Income/Expense						
Income						
Sales	670,000.00	100.0%	1,700,000.00	100.0%	3,500,000.00	100.0%
Cost of Goods Sold	238,000.00	35.5%	487,000.00	28.6%	1,150,000.00	32.9%
Gross Profit	432,000.00	64.5%	1,213,000.00	71.4%	2,350,000.00	67.1%
Expense						
6560 · Payroll Expenses						
Managers Salary	0.00	0.0%	86,000.00	5.1%	404,000.00	11.5%
Dining Room Wages	64,500.00	9.6%	245,000.00	14.4%	435,000.00	12.4%
Kitchen Wages	137,000.00	20.4%	335,000.00	19.7%	500,000.00	14.3%
Sick Pay	400.00	0.1%	3,500.00	0.2%	8,000.00	0.2%
Healthcare	0.00	0.0%	0.00	0.0%	39,000.00	1.1%
Payroll Taxes	23,824.20	3.6%	79,001.00	4.6%	158,946.00	4.5%
Workmens' Comp	6,460.80	1.0%	25,106.25	1.5%	30,307.50	0.9%
Total 6560 · Payroll Expenses	232,185.00	34.7%	773,607.25	45.5%	1,575,253.50	45.0%
Occupancy	75,000.00	11.2%	154,000.00	9.1%	304,000.00	8.7%
Financial	40,000.00	6.0%	88,000.00	5.2%	124,000.00	3.5%
Supplies	26,500.00	4.0%	75,000.00	4.4%	130,000.00	3.7%
Operations	45,000.00	6.7%	78,000.00	4.6%	185,000.00	5.3%
Total Expense	418,685.00	62.5%	1,168,607.25	68.7%	2,318,253.50	66.2%
Net Ordinary Income	13,315.00	2.0%	44,392.75	2.6%	31,746.50	0.9%



3510 Unocal Pl Santa Rosa, CA 95403 / 707.527.5565 mail@centralbooks.net

History of California Minimum Wage Increases

Date of Change	Old Minimum Wage	New Minimum Wage	Amount of Increase	Percentage of Increase
1/1/2001	\$5.75	\$6.25	\$0.50	8.7%
1/1/2002	\$6.25	\$6.75	\$0.50	8.0%
1/1/2007	\$6.75	\$7.50	\$0.75	11.1%
1/1/2008	\$7.50	\$8.00	\$0.50	6.7%
7/1/2014	\$8.00	\$9.00	\$1.00	12.5%
1/1/2016	\$9.00	\$10.00	\$1.00	11.1%
1/1/2017	\$10.00	\$10.50	\$0.50	5.0%
1/1/2018	\$10.50	\$11.00	\$0.50	4.8%
1/1/2019	\$11.00	\$12.00	\$1.00	9.1%
Proposed	\$12.00	\$15.00	\$3.00	25.0%

Bliss, Sandi

From: Cleary, Eileen
Sent: Monday, September 30, 2019 9:26 AM
To: Bliss, Sandi; Mahre, Kali; Manis, Dina
Cc: De La Rosa, Raissa; Guhin, David
Subject: FW: [EXTERNAL] Fwd: North Bay Black Chamber of Commerce Board Action Em#2

Good Morning,

If you would please add the email below to the late correspondence for October 1, 2019, Council item 19-0705 that would be wonderful.

Thank you,
Eileen

Eileen Cleary

Administrative Secretary, Economic Development

Planning & Economic Development Department | 100 Santa Rosa Ave., Room 3 | Santa Rosa, CA 95404
Tel. (707) 543-3227 | ecleary@srcity.org



From: De La Rosa, Raissa <RdelaRosa@srcity.org>
Sent: Thursday, September 26, 2019 12:21 PM
To: Cleary, Eileen <Ecleary@srcity.org>
Subject: Fwd: [EXTERNAL] Fwd: North Bay Black Chamber of Commerce Board Action Em#2

FYI. I can just verbalize this since missed the deadline.

Sent from my iPhone

Begin forwarded message:

From: L Pierce <lpierce@comcast.net>
Date: September 26, 2019 at 12:18:28 PM PDT
To: Rdelarosa@srcity.org
Cc: annee48@hotmail.com, Nancy Rogers <nr0000@aol.com>, Letitia@arsroofing.com
Subject: [EXTERNAL] Fwd: North Bay Black Chamber of Commerce Board Action Em#2

Hi Raissa,

Please scroll down to the message below, beginning with:

"....previous message continued"

With renewed thanks -

Lee Pierce
President

North Bay Black Chamber of Commerce

Sent from my T-Mobile 4G LTE Device

----- Original message -----

From: L Pierce <lpierce@comcast.net>

Date: 9/25/19 11:31 PM (GMT-08:00)

To: annee48@hotmail.com, Nancy Rogers <nr0000@aol.com>, Letitia@arsroofing.com

Subject: Fwd: Action Alert Santa Rosa Living Wage

.....' Previous message continued: \$15/hr minimum wage in 2020, as your President, I will convey our Board's support to the Santa Rosa City Council.

With renewed thanks,

Lee Pierce
President
North Bay Black Chamber of Commerce

Sent from my T-Mobile 4G LTE Device

Manis, Dina

From: Rachel Lumberg <rlumberg@att.net>
Sent: Wednesday, September 25, 2019 10:58 AM
To: Manis, Dina
Subject: minimum wage

Hello all,

My name is Rachel Lumberg and I strongly support raising the minimum wage to \$15 an hour starting in 2020. I work in the schools and we can not hire and retain, competent employees as they can not afford the high rents, living costs in Sonoma County.

Sincerely,

Rachel Lumberg





**SONOMA
COUNTY
DEMOCRATIC
PARTY**

Rec'd at Meeting 10/1/19
Item No. 15.1
From: Valerie Hinshaw

October 1, 2020

Dear Mayor Schewedhelm and Members of the Council,

The Sonoma County Democratic Party is writing to voice our organization's support for the North Bay Jobs with Justice proposed ordinance to raise the city-wide minimum wage to \$15 an hour by 2020, with an annual Bay Area CPI chain each year thereafter. In a time of skyrocketing cost of living and stagnant wages, we believe that local governments should do everything in their power to address this imbalance directly by implementing policies such as minimum wage increases.

The Sonoma County Democratic Party passed a resolution of support for a \$15 an hour minimum wage in 2014. The California State Democratic Party's Platform includes specific and direct language supporting a statewide \$15 minimum wage. A number of you Council Members read this platform and pledged to support it when seeking the Democratic Party's endorsement.

According to The State of Working Sonoma 2018, between 2000 and 2016 the median rent in Sonoma County increased by 25 percent, while the median income for those renters increased by only 9 percent. Meanwhile, since 2011 rents in Sonoma County have increased faster than those in Marin, San Francisco, Alameda, Contra Costa, San Mateo, Napa, and Santa Clara Counties.

Forty percent of Americans cannot afford a \$400 emergency expense, and countless residents of our community are one missed paycheck away from homelessness. An increased wage makes housing and other expenses more affordable and is a major step forward to increase equity in our community.

By increasing the minimum wage in Santa Rosa to \$15 an hour by 2020 and including annual relevant CPI increases, not only do we give our poorest residents some measure of economic security by putting an average of \$2,900 annually in their pockets, but we also improve their health, better their educational outcomes and stimulate the local economy at the same time. Low wage workers have been found to spend a significantly higher portion of their income locally on basic necessities, and the increased spending power of these workers would return to our local economy, providing a boom to small businesses.

Sincerely,

Pat Sabo
Chair, Sonoma County Democratic Central Committee