

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

A resolution/ordinance by Supervisors Nicholson, Dimitrijevic, Taylor (2), Johnson, Jr., Moore Omokunde, and Haas, amending Sections 111.02 and 111.03(1) of the Milwaukee County Code of General Ordinances, by generating a pay scale which adjusts the Milwaukee County (the County) minimum wage on an annual basis, establishing a minimum wage of \$15 per hour for service, concession, lease, and financial assistance agreements publicly funded by the County by the year 2022, by recommending adoption of the following:

A SUBSTITUTE RESOLUTION/ORDINANCE

WHEREAS, Milwaukee County (the County) confronts a crisis of living wage jobs and economic inequality for all working people, particularly acute and intense for people of color, demanding action for good jobs and economic justice; and

WHEREAS, the County formerly ranked amongst the best communities in the nation for people of color and their families at a time when working class people had access to living wage employment; and

WHEREAS, the County now ranks amongst the worst communities in the nation for people of color and their families as living wage employment disappeared, replaced by an explosion of low-wage jobs; and

WHEREAS, real wages, real income, and living standards have been stagnant for more than three decades, declining for the bottom end of the labor market that has grown dramatically, with more than 40 percent of all employment found in occupations paying less than \$15 per hour that will within five years comprise half of all employment; and

WHEREAS, a movement of organized working people in a previous generation transformed underpaid, unappreciated jobs of the day into family-supporting employment through collective bargaining and public policies that lifted wages, the likes of which once benefited the working class people of the County, including and especially people of color; and

WHEREAS, the underpaid, unappreciated jobs of today can and must be transformed into family-supporting employment just as these poverty-trapping and economy hindering jobs were transformed in a previous generation, and a nationwide movement for living wages and workers' rights has emerged fighting for \$15 per hour wages and union recognition, calling the question on elected officials for action on policies to address demands broadly supported by the public; and

43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88

WHEREAS, had minimum wage kept pace with its relation to median wages it would be over \$16 per hour and had minimum wage kept pace with productivity gains, what working people contribute to a growing economy, it would be over \$20 per hour; and

WHEREAS, though the Federal and State governments should establish a minimum wage of \$15 per hour, policy-makers have not taken action so local governments like the County must take the lead in establishing a minimum wage of \$15 per hour for all workers impacted by service, concession, lease, and financial assistance agreements publicly funded by the County, including the types of underpaid, unappreciated jobs that characterize the crisis of good jobs and economic and racial injustice in the County, and in establishing a community standard for all otherwise low-wage employment; and

WHEREAS, while the County adopted a “living wage” ordinance in 2014 that today amounts to \$11.68 per hour, since then the “Fight for Fifteen” movement has won victories nationwide establishing a wage standard that will bring roughly twenty percent of otherwise low-wage workers up to a minimum of \$15 per hour; and

WHEREAS, the Committee on Finance and Audit, at its meeting of October 31, 2016, recommended adoption of this resolution/ordinance (vote 7-0); now, therefore,

BE IT RESOLVED, the Milwaukee County Board of Supervisors (County Board) hereby establishes a policy of paying a minimum wage of \$15 per hour for all workers who can be impacted by its policies; and

BE IT FURTHER RESOLVED, the County Board hereby amends Chapter 111 of the Milwaukee County Code of General Ordinances by adopting the following:

AN ORDINANCE

The County Board of Supervisors of the County of Milwaukee does ordain as follows:

SECTION 1. Chapter 111 of the Milwaukee County Code of General Ordinances is hereby amended as follows:

111.02. - Definitions.

For all agreements covered under this chapter, the following definitions shall apply:

- (a) *Service contract* means an agreement between the county or related entity and another party that provides a set of services defined in MCGO 32.20(17), as well as personal care, or supportive home care provided to persons with disabilities or the frail elderly by preferred provider.

- (1) Service contracts do not include:

- 89 i. Purchase of goods or commodities or its delivery.
90 ii. Equipment lease and maintenance.
91 iii. Professional services contracts.
92 iv. Contracts with any school district, municipality, or any other governmental
93 unit.
94 v. Contracts in which state or federal funder has a prevailing wage
95 requirement.
96 vi. Contracts for family care other than preferred provider agencies that
97 exclusively contract with Milwaukee County to provide personal care and
98 supportive home care.
99 vii. Contracts procured under Milwaukee County Ordinance Chapter 46.
100
- 101 (b) *Concession agreement* means an agreement between the county or related entity
102 and another party to allow the organization exclusive or semi-exclusive right to
103 operate a particular enterprise usually making use of some resource of the county or
104 related entity requiring payment to the county or related entity fees, rent, or
105 percentage of revenues derived from the particular enterprise; airport concessions
106 are included as defined by Milwaukee County Ordinance 42.02(1)(c). ~~Airport~~
107 ~~concessionaires are exempted from the provisions of this chapter for any contracts~~
108 ~~executed prior to January 1, 2017.~~
109
- 110 (c) *Lease* means an agreement between the county or related entity as lessor and
111 another party as lessee to provide exclusive use of real property, a particular asset
112 or resource in exchange for rental payments or a fee, and which involves financial
113 assistance consistent with s. 104.011(3), Wis. Stats. The following leases are
114 exempted:
115
- 116 (1) *Cultural institutions*: Leases with institutions including the Fund for the
117 Arts/CAMPAC, Milwaukee County Historical Society, Milwaukee County
118 Federated Library System, Marcus Center, Milwaukee Public Museum,
119 Charles Allis and Villa Terrace Museums, War Memorial Center, Milwaukee
120 Art Museum, and any other cultural organization that receives contributions
121 from Milwaukee County.
122 (2) *Nonprofit*: Leases with nonprofit corporations, unless the nonprofit corporation
123 passes through to a for-profit entity an amount greater than or equal to one
124 million dollars (\$1,000,000.00) in which case the for-profit entity shall be
125 subject to this chapter as a subcontractor as in 111.03(1)(b).
126 (3) *Other local units of government*: Leases with any school district, municipality
127 or any other governmental or quasi-governmental unit.
128
- 129 (d) *Economic development financial assistance* means any form of assistance,
130 consistent with s. 104.001(3), Wis. Stats., of an amount greater than or equal to
131 one million dollars (\$1,000,000.00), provided to a recipient directly by the county
132 in the form of loan rates below those commercially available, loan forgiveness or
133 guarantees, bond financing or forgiveness, leases of land or real property or
134 other assets for an amount below fair market value, or grants of land or real

135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176

property, or other valuable consideration, or any other assets provided to develop real property, to foster economic development or to create or retain jobs or for other similar purposes which inure to the benefit of the recipient. The following are exempted:

- (a) *Nonprofit corporations*: Economic development financial assistance provided to nonprofit corporations, unless the nonprofit corporation passes through to a for-profit entity an amount greater than or equal to one million dollars (\$1,000,000.00) in which case the for-profit entity shall be subject to this chapter as a subcontractor as in 111.03(1)(b).
- (b) *Cultural institutions*: Economic development financial assistance to the Fund for the Arts/CAMPAC, Milwaukee County Historical Society, Milwaukee County Federated Library System, Marcus Center, Milwaukee Public Museum, Charles Allis and Villa Terrace Museums, War Memorial Center, Milwaukee Art Museum, and any other cultural organization that receives contributions from Milwaukee County.
- (c) *Other units of government*: Economic development financial assistance provided to any school district, municipality or any other governmental or quasi-governmental unit.
- (d) *Sale of land/assets*: Sales of land or real property assets.
- (e) *Living wage* means a minimum hourly wage rate equal to one hundred percent (100%) of the poverty income level set forth annually by the U.S. Department of Health and Human Services for a family of four (4) divided by two thousand eighty (2,080) hours, through December 31, 2016.; and *living wage* means:
 - (1) Effective January 1, 2017, \$12.35 per hour;
 - (2) Effective January 1, 2018, \$13.01 per hour;
 - (3) Effective January 1, 2019, \$13.67 per hour;
 - (4) Effective January 1, 2020, \$14.34 per hour;
 - (5) Effective January 1, 2021, \$15.00 per hour;
 - (6) Effective January 31, 2022, and every January 31 thereafter, an amount determined by the Department of Administrative Services, increased to reflect the rate of inflation for the previous calendar year, as calculated to the nearest cent, provided that in no case shall the wage be set at a level below the wage for the previous year.

177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222

(f) *Contractor* means a person or an entity that has a service contract, lease, or concession agreement with Milwaukee County covered under this chapter.

(g) *Subcontractor* means a person or an entity:

- 1) Having an agreement or arrangement with a contractor to perform some aspect of a service contract ~~furnish a service~~ for the benefit of Milwaukee County that would be covered under this chapter; or,
- 2) Having an agreement or arrangement with a contractor to operate on a property that is subject to a lease or concession agreement with Milwaukee County that would be covered under this chapter; or,
- 3) Purchasing or leasing from a recipient of financial assistance; or, managing or operating an enterprise employing people on the premises of property developed or improved as a result of financial assistance.

(h) *Recipient* means a person or entity receiving economic development financial assistance as defined in 111.02(d) but does not include a person or entity indirectly benefiting from incidental effects of county policies, regulations or ordinances.

(i) *Rate of inflation* means the percentage change from one year to the next in the average annual All Items Consumer Price Index for All Urban Consumers for the Midwest census region (“the average annual Midwest CPI-U”), or a successor index, as published by the U.S. Department of Labor, Bureau of Labor Statistics in January of each year covering the previous calendar year.

111.03(1). - Standards requirement.

(1) All employees performing part or full time work for a contractor, subcontractor, lessee or recipient of economic development financial assistance covered under this chapter and all direct employees of the county, shall be paid the minimum wage rate defined in chapter 111.02(e), except as provided in subsection (c) of this section.

(a) Tipped employees, employees paid on commission, or employees whose compensation consists of more than hourly wages shall be paid an hourly wage, when coupled with the other compensation, that will at least equal the minimum wage rate. The value of meals or lodging shall be calculated pursuant to Chapter DWD 272, Wisconsin Administrative Code.

- 223 (b) Contractors and subcontractors as defined in chapter 111.02(g)(1) and (2)
224 shall be subject to the requirements of this chapter for the duration of the
225 agreement with the county. Employees of contractors and subcontractors
226 shall be covered under the requirements of this chapter for the hours
227 worked in performance of covered agreements.
228
- 229 (c) Recipients of economic development financial assistance and
230 subcontractors as defined in chapter shall:
231 i. Be subject to the requirements of this chapter for a period equal to
232 one (1) year for every one hundred thousand dollars (\$100,000.00)
233 provided in economic development financial assistance, rounded to
234 the nearest whole year; and employees of such recipients and
235 subcontractors shall be covered under the requirements of this
236 chapter for work performed on the premises of a project benefiting
237 from financial assistance.
238
- 239 (d) Minimum wage rate requirement will be updated annually on the last
240 business day of February, effective through December 31, 2016;
241 thereafter the minimum wage requirement will be updated annually
242 according to the schedule in chapter 111.02(e).
243

244 **SECTION 2.** The provisions of this Ordinance shall become effective upon passage and
245 publication.
246

247
248 jmj
249 10/31/16
250 S:\Committees\2016\Oct\FA\Resolutions\16-609.docx