

RESOLUTION NO. 20240814-025

WHEREAS, a living wage is a wage rate that helps ensure workers can meet their basic needs; and

WHEREAS, raising the pay of low-wage workers receiving less than a living wage increases productivity and morale, lowers turnover and its accompanying costs, and reduces supervisory costs; and

WHEREAS, the federal minimum wage was last raised in 2009 to \$7.25 per hour, which Texas similarly adopted and limited local options for establishing minimum wages for private employment by ordinance; and

WHEREAS, in the absence of federal or state minimum wage laws that reflect the current cost of living in Austin, Texas, the City has sought to model employment practices by establishing a living wage requirement for its employees and using its purchasing authority to establish similar requirements for the workforce of contracted service providers; and

WHEREAS, the City first adopted a living wage policy in 2016, which does not apply to non-construction services that are not conducted on City-owned property or vehicles; and

WHEREAS, social service providers are often focused on providing basic needs to address the causes or symptoms of poverty, and frequently struggle to recruit and retain qualified social workers at low pay; and

WHEREAS, the City seeks to develop the capacity of social service providers to respond to the growing scale of community needs, including homelessness; and

WHEREAS, in 2022, a Living Wage Work Group recommended updates to the living wage policy, including “any contracts the City issues for City work”, and

in response, City Council approved Resolution No. 20220616-050 to develop a multi-year plan and to budget accordingly; and

WHEREAS, Austin Public Health solicits new social service contracts on a staggered annual basis by issue area, but also regularly offers contract extensions and cost of living increases, which may also offer an opportunity to implement a living wage requirement; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

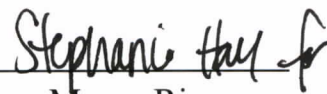
The City Manager is directed to develop an implementable multi-year plan for applying the City's Living Wage requirements for all future solicitations for social services and report back to the Public Health Committee of Council with progress updates by January 2025. The City Manager is further directed to include this plan implementation in the Fiscal Year 2025-2026 budget development process using the City's living wage rate as the minimum amount for labor costs or to note any exceptions to the plan.

BE IT FURTHER RESOLVED:

The City Manager is directed to work with other social service funding entities, including but not limited to Travis County and Central Health, to create consistent contract requirements regarding living wages.

ADOPTED: August 14, 2024

ATTEST:



Myrna Rios
City Clerk