

**RULES AND REGULATIONS  
FOR IMPLEMENTATION OF THE  
LIVING WAGE ORDINANCE  
FOR THE CITY OF OAKLAND AND  
THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND**

The Oakland Living Wage Ordinance (the “Ordinance”), codified as Oakland Municipal Code provides that certain employers under contracts for the furnishing of services to or for the City that involve an expenditure equal to or greater than \$25,000 and certain recipients of City financial assistance that involve receipt of financial assistance equal to or greater than \$100,000 shall pay a prescribed minimum level of compensation to their employees for the time their employees work on City of Oakland contracts. The Redevelopment Agency of the City of Oakland adopted the City’s Living Wage policy as its own policy by Agency Resolution No. 98-13 C.M.S.

**REGULATION #1: DECLARATION OF COMPLIANCE WITH THE LIVING WAGE ORDINANCE**

The form and content of the Declaration of Compliance to be obtained from prospective contractors and CFARs pursuant to the Ordinance is attached hereto. The Declaration shall be included in all bid documents and contracts to which the Ordinance applies.

**REGULATION #2: DEFINITIONS**

The following definitions shall apply in these regulations:

- a) "Agency" means that subordinate or component entity or person of the City (such as a department, office, or agency) that is responsible for solicitation of proposals or bids and responsible for the administration of service contracts or financial assistance agreements.
- b) "City" means the City of Oakland and all City agencies, departments and offices. References to the “City” in these regulations shall also be deemed to apply to the Redevelopment Agency of the City of Oakland.
- c) "City financial assistance recipient" or “CFAR” means any person who receives from the City financial assistance in an amount of \$100,000 or more in a 12 month period.
  - 1) Financial assistance shall not include generalized financial assistance such as that provided through tax legislation. City staff assistance alone shall not be regarded as financial assistance.
  - 2) Categories of covered City financial assistance include, but are not limited to, grants, rent subsidies, bond financing, loans (subject to the criteria below), financial planning, tax increment financing, land writedowns, the provision of on-site improvements, and tax

credits and rebates. Assistance shall include contingent obligations taken on by the City, such as a guaranty.

- 3) A loan provided at below market interest rate and terms shall be regarded as financial assistance to the extent of any differential between the principal amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as set forth in 26 USC §§1274(d) and 7872(f). The forgiveness of a loan, to the extent of the amount forgiven, shall be regarded as financial assistance. Indirect loan related assistance and contingent funding commitments by the City such as loan guaranties, completion guaranties, credit enhancements, letters of credit, indemnity agreements, standby commitments, suretyship agreements, etc., shall also be regarded as financial assistance, to the extent of the value of the subsidy attached to such assistance as determined by the agency administering the assistance.
- 4) The sale of City real property for less than the property's fair market value shall be considered City financial assistance, to the extent of the difference between the actual sales price and the property's fair market value. An installment sale shall be treated as a seller financed loan for purposes of these regulations. A lease of City real property for less than the property's fair rental value shall be considered financial assistance, to the extent of the difference between the present value of the actual lease payments and the present value of the fair market rental payments during the lease term, as determined by agency administering the assistance.
- 5) The provision of off-site improvements by the City to a development project, such as street improvements or the installation of public facilities, utilities or other infrastructure not located on the project property, shall not be considered City assistance for purposes of these regulations.
- 6) The date a CFAR is deemed to receive the assistance shall be the date that the City enters into a legally binding agreement to provide the assistance.
- 7) A tenant, lessee, or licensee of a CFAR, or a subtenant or sublessee of such person, who occupies real property or uses equipment or real or personal property that is improved or developed as a result of the assistance awarded to the CFAR by the City, and who will employ at least twenty employees for each working day in each of twenty or more calendar weeks in the twelve months after occupying or using said property, shall be considered a "City financial assistance recipient" for purposes of these regulations, and shall be covered for the same period as the CFAR who is their landlord, lessor, or licensor.
- 8) For purposes of these regulations, "City financial assistance recipient" shall also include the assignees and successors in interest of the person directly receiving the assistance from the City, and in the case of City assistance to projects involving the improvement or development of real property, shall include any person who subsequently acquires fee title to any or all of the property developed with City assistance during the compliance period.

- 9) “Financial assistance” shall include assistance provided through the City from sources other than City funds, such as federal or state grants or loans, but only where the application of the Ordinance is consonant with the terms and conditions of the outside funding source.
- d) “Contractor” means any person that enters into a service contract with the City in an amount equal to or greater than \$25,000.
- e) “Contracts and Compliance” means the City’s Office of Contracts and Compliance
- f) “Employee” means (1) any natural person who performs services related to a city service contract, including a person employed under the authority of a service contract by a contractor or subcontractor; or (2) any natural person who performs services for a CFAR and who expends at least half of his or her time on the funded program or business, or in the case of a development project, at least half of his or her time on the project site or on project related work, or (3) any natural person who performs services for a service contractor of a CFAR and who expends at least half of his or her time on the premises of the CFAR, or in the case of a development project, at least half of his or her time on the project site or on project related work, and is directly involved with the funded project/program or property which is the subject of City financial assistance. Any person who is a managerial, supervisory or confidential employee is not an employee for purposes of this definition. Persons who qualify as independent contractors under IRS standards and persons who provide uncompensated, volunteer services to an employer, are not employees for the purposes of this section.
- g) “Employer” means any person who is a contractor, subcontractor, or City financial assistance recipient (CFAR) and who employs persons in the course of a business operation.
- h) “Person” means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, public agency, or other entity that may employ individuals or enter into contracts.
- i) “Service contract” means (1) a contract let to a contractor by the City or a CFAR that involves an expenditure equal to or greater than twenty-five thousand dollars (\$25,000), in a twelve (12) month period, for the furnishing of services, to or for the City or the CFAR, except contracts where services are incidental to the delivery of products, equipment or commodities or (2) a lease or license under which services contracts are let by the lessee or licensee. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a “service contract” for the purposes of this definition. Services provided under a construction contract for which the payment of prevailing wages is required shall not constitute the “furnishing of services” as used in this section. Said construction services shall be paid at the rate required by the City pursuant to Resolution No. 57103 C.M.S. or Redevelopment Agency Resolution No. 87-4 C.M.S.
- j) “Subcontractor” means any person who enters into a contract with (1) a contractor to assist the contractor in performing a service contract or (2) a CFAR to assist the CFAR in performing the work for which the assistance is being given or to perform services on the

property which is the subject of city financial assistance. Service contractors of CFARs shall not be regarded as subcontractors except to the extent provided in subsection C.

- k) "Trainee" means a person enrolled in a job training program which meets the City of Oakland job training standards.

### **REGULATION #3: PAYMENT OF MINIMUM COMPENSATION TO EMPLOYEES**

Employers subject to these regulations are required to provide the compensation, health benefits compensated days off and uncompensated days off set forth below to their employees, as defined herein,:

- 1) Minimum compensation – Employees shall be paid an initial hourly wage rate of \$14.35 with health benefits or \$16.47 without health benefits. These initial rates will be upwardly adjusted each year no later than April 1 in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Bay Region Consumer Price Index as published by the Bureau of Labor Statistics, U.S. Department of Labor. Effective July 1<sup>st</sup> of each year, contractor shall pay adjusted wage rates.
- 2) Health benefits - Full-time and part-time employees paid at the lower living wage rate shall be provided health benefits of at least \$2.12 per hour. Employers shall provide proof that health benefits are in effect for those employees no later than 30 days after execution of the contract or receipt of City financial assistance.
- 3) Compensated days off. – Employees are entitled to twelve compensated days off per year for sick leave, vacation or personal necessity at the employee's request, and ten uncompensated days off per year for sick leave. Employees shall accrue one compensated day off per month of full time employment. Part-time employees shall accrue compensated days off in increments proportional to that accrued by full-time employees. The employees shall be eligible to use accrued days off after the first six months of employment or consistent with company policy, whichever is sooner. Paid holidays, consistent with established employer policy, may be counted toward provision of the required 12 compensated days off. Ten uncompensated days off shall be made available, as needed, for personal or immediate family illness after the employee has exhausted his or her accrued compensated days off for that year.

### **REGULATION #4: COMPLIANCE PERIOD**

- (a) Service contractors. For covered service contractors and subcontractors, the period for compliance with the Living Wage requirements shall be for the term of the contract.
- (b) City financial assistance recipients. For covered CFARs, the period for compliance with the Living Wage requirements shall be as follows:
  - (1) Real estate development project assistance, i.e., City assistance with the purchase of real property and the construction or rehabilitation of real property facilities:

five years from the date construction of the project commences, as such date is determined by the agency administering the project.

- (2) Business development assistance, i.e., City assistance to a for profit business recipient to purchase tangible personal property, such as materials, equipment, fixtures, merchandise, inventory, machinery, and the like, to purchase a facility, and/or to pay for the operational costs of such recipients, including assistance with working capital: five years from the first disbursement of City assistance to the recipient. For City assistance in the form of contingent commitments, compliance shall begin on the date the City enters into the commitment.
- (3) Program assistance, i.e., City assistance to fund the ongoing program operations of a recipient who is a nonprofit service provider: the term of the agreement under which the assistance is given.
- (4) For forms of City assistance that do not fit into any of the above categories, the agency which administers the assistance shall determine the appropriate commencement date for the compliance period.
- (5) To the extent that City assistance falls into multiple categories, the compliance period shall start at the earliest of the dates specified above.
- (6) For City assistance used to acquire or develop real property, the Living Wage requirements shall be imposed in the form of a recorded encumbrance on the property binding any transferees or successors in interest to the property as a covenant running with the land for the entire compliance period.

## **REGULATION #5: CONTRACT REVIEW PROCESS**

Each contract under which Living Wage requirements may apply will be subject to the following:

- a) Administering agencies shall impose the requirements of this Ordinance to all service contracts and CFARs UNLESS a determination is made by Contracts and Compliance that the Ordinance is not applicable. When an administering agency believes the Ordinance is not applicable or is uncertain as to its applicability to a particular service contract or CFAR, it shall submit a request for determination to Contracts and Compliance.
- b) Contracts and Compliance shall provide to City agencies standard notices or language which set forth the requirements of this Ordinance and the Declaration of Compliance for inclusion in the solicitation of proposals, bids or applications for City financial assistance. The administering agency shall include said notices in its RFPs, RFQs, specifications, application materials, notices of funding availability, notices inviting bids or any other solicitations for contracts or notices for applications or other processes related to the application for City financial assistance.

- c) In the case of an RFP or an RFQ Contracts and Compliance will schedule and convene a pre-proposal meeting of responsible agency team members at least 3 weeks prior to the proposal due date.
- d) The day following proposal submittal, the administering agency will send copies of the proposals to Contracts and Compliance for review to determine compliance with Living Wage requirements or eligibility for any of the exemption provisions of the Ordinance.
- e) Contracts and Compliance will conduct a post award meeting with the contractor and subcontractors to review Living Wage compliance including data requirements, format and deadlines.
- f) An employer who wishes to contest a determination that this Ordinance is applicable to its business operation may file an appeal within seven calendar days of the date of the City's written determination.

The matter will be heard by a Hearing Officer designated by the City Manager. Decisions of the Hearing Officer shall be rendered in writing to the administering agency and employer, and shall be final.

#### **REGULATION #6: EXEMPTIONS**

The following entities or persons are exempt from these regulations:

- a) An employer that employs or employed fewer than five employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year.
- b) An employee who is a trainee, as defined herein, for the period of training as specified under the City approved training standards.
- c) An employee who is under 21 years of age, employed by a nonprofit corporation for after school or summer employment for a period not longer than 90 days.
- d) Persons who provide volunteer services that are uncompensated, except for the reimbursement of expenses such as meals, parking or transportation.
- e) Individuals who qualify under IRS standards as independent contractors.

Prior to executing the assistance contract, the awarding agency must obtain from each proposed contractor or CFAR seeking exemption under this ordinance, documentation sufficient to certify the specific exemption.

Parties otherwise subject to Living Wage requirements by a bona fide collective bargaining agreement, waive the Living Wage requirements, but only if the waiver is explicitly set forth in such agreement in clear and unambiguous terms. If a collective bargaining exemption is claimed,

the employer shall provide a copy of the pertinent agreement to the administering agency for review.

## **REGULATION #7: WAIVERS**

The City Council may grant a waiver under the following conditions:

- 1) To a CFAR upon a finding and determination of economic hardship and that the waiver will further the interests of the City in creating training positions which enable employees to advance into jobs paid at a living wage or better when recommended by the City Manager, provided:
  - the CFAR has submitted a detailed, written explanation of its economic hardship;
  - that said explanation states the reasons for the CFAR's inability to pay a living wage and includes a complete cost accounting of the work to be performed with the assistance sought, stating wages and benefits to be provided to all employees, and itemizing wages and benefits paid to the five highest paid employees.
  - That the CFAR will create training positions which will enable employees to advance into permanent jobs, paid at living wage rates or better rates;
  - that existing positions or employees will not be replaced or displaced and that wages of existing employees will not be lowered by said training positions
- 2) Where the balance of competing interests weighs clearly in favor of granting the waiver. Partial waivers are favored over blanket waivers.
- 3) Waivers shall be limited to one year, but are subject to renewal thereafter upon yearly applications and determinations, which shall be based on the same criteria as the original waiver.
- 4) Upon a finding and determination of the City Council that waiver is in the best interests of the City, e.g. when the City has declared an emergency due to natural disasters and needs immediate services.

## **REGULATION #8: EMPLOYER NOTICE AND DOCUMENTATION REQUIREMENTS**

- a) All proposed contractors and CFAR's subject to the provisions of these regulations shall submit a completed Declaration of Compliance form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance form shall be made a part of the executed contract, and will be made available for public inspection and copying by the City during its regular business hours.

- b) Contractors and CFAR's shall require their subcontractors and tenants/leaseholders who are covered by these requirements to comply with the provisions of these regulations. Contractors and CFARs shall be responsible for including language committing the subcontractor's or tenants/leaseholder's agreement to comply in their contract with their subcontractor or tenants/leaseholders. Contractors and CFARs shall submit a copy of such subcontracts or other such agreements to Contracts and Compliance.
- c) Employers shall maintain a listing of the name, address, date of hire, occupation classification, rate of pay and benefits paid for each of its employees and submit a copy of the list to Contracts and Compliance by March 31, June 30, September 30, and December 31 of each year during the applicable compliance period. Failure to provide this list within five days of the due date will result in a penalty of \$500 per day. Covered contractors, subcontractors and CFARs shall maintain payrolls for all employees and basic records relating thereto and shall preserve them for a period of at least four years after the expiration of the compliance period.
- d) Employers shall give written notification to each current and new employee, at time of hire, of his or her rights to receive the benefits under the provisions of these regulations. The notification shall be provided in English, Spanish and other languages spoken by a significant number of the employees, and shall be posted prominently in communal areas at the work site. A copy of said notification shall be forwarded to Contracts and Compliance. The notification must include the following information

Minimum compensation - Employees are entitled to an initial hourly wage rate of \$14.35 with health benefits or \$16.47 without health benefits for time worked on City of Oakland contracts or projects. The initial rates will be upwardly adjusted each year no later than April 1 in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Bay Region Consumer Price Index as published by the Bureau of Labor Statistics, U.S. Department of Labor. Effective July 1<sup>st</sup> of each year, contractor shall pay adjusted wage rates.

Health benefits. Full-time and part-time employees paid at the lower living wage rate shall be provided health benefits of at least \$2.12 per hour. Employers shall provide proof that health benefits are in effect for those employees no later than 30 days after execution of the contract, "Health benefits" means such medical, dental or other health benefits provided by employer.

Compensated days off. - Employees are entitled to twelve compensated days off per year for sick leave, vacation or personal necessity at the employee's request, and ten uncompensated days off per year for sick leave. Employees shall accrue one compensated day off per month of full time employment. Part-time employees shall accrue compensated days off in increments proportional to that accrued by full-time employees. The employees shall be eligible to use accrued days off after the first six months of employment or consistent with company policy, whichever is sooner. Paid holidays, consistent with established employer policy, may be counted toward provision of the required 12 compensated days off. Ten uncompensated days off shall be made available, as needed, for personal or immediate family illness after the employee has exhausted his or her accrued compensated days off for that year.



Federal Earned Income Credit (EIC) – Contractors shall inform said employees that he or she may be eligible for EIC and shall provide forms to apply for advance EIC payments to eligible employees. There are several web sites and other sources available to assist you. Web sites include but are not limited to: (1) <http://www.irs.gov> for current guidelines as prescribed by the Internal Revenue Service and (2) The 2005 Earned Income Tax Outreach Kit [www.cbpp.or/eic/2005](http://www.cbpp.or/eic/2005).

- e) Employers shall permit authorized City representatives access to work sites and, with employee consent, relevant payroll records for the purpose of monitoring compliance with these regulations, investigating employee complaints of non-compliance and evaluating the operation and effects of these regulations, including the production for inspection and copying of its payroll records for any or all of its employees for the applicable compliance period.
- f) Employers who fail to submit documents, declarations or information required to demonstrate compliance with these regulations shall be deemed noncompliant or nonresponsive and subject to the remedies set forth herein.

#### **REGULATION #9: REPORTING AND RECORD KEEPING BY THE CITY**

- a) The City Manager shall submit periodic reports to the City Council which shall include the following information at minimum:
  - 1) A listing and the status of all RFP's and RFQ's, service contracts and lease agreements executed and financial assistance awarded, to which these regulations apply including the term, dollar amount and the service performed or assistance provided;
  - 2) A description of every instance where an exemption or waiver was granted by action of the City Manager or the City Council.
- b) The City Manager shall maintain records pertaining to all complaints, hearings, determinations and findings, and shall submit a regular report on compliance with these regulations no less than annually to the City Council. Special reports and recommendations on significant issues of interest to the Council will be submitted as deemed appropriate.

#### **REGULATION #10: PENALTIES FOR NONCOMPLIANCE**

Non-compliance may result in the assessment of a penalty of \$500 for each week of non-compliance, or debarment from bidding on or participating in future City contracts or projects for a period of one (1) year.

#### **REGULATION #11: MONITORING AND INVESTIGATION**

The provisions of these regulations will augment the City's normal and customary procedure for administering its contracts. The City will take the following steps to determine compliance with these regulations for contracts under which the City makes periodic payments:

- a) The administering agency shall submit payment requisitions to Contracts and Compliance along with certified payroll reports (if applicable) fringe benefit statements (if applicable), and time cards.
- b) Contracts and Compliance will review payroll reports, fringe benefit statements, and time cards and determine compliance within five (5) working days.
- c) If compliance is determined, Contracts and Compliance will sign off on the payment requisition.
- d) If non-compliance is determined, Contracts and Compliance will notify the administering agency and the employer, by written notice, that a violation of these regulations has occurred. Said notice shall include a summary analysis of what was paid, what should have been paid and what is owed to the affected employee(s), the basis for the determination of noncompliance, and notice that the employer is entitled to an administrative hearing prior to withholding.
- e) If the employer fails to request a hearing within 10 days of the notice of noncompliance, it shall be deemed to have waived the right to hearing, and Contracts and Compliance shall issue a notice to withhold compensation owed and penalties to the administering agency, and thereafter direct payment to the employee or employees determined to have been underpaid.

## **REGULATION #12: EMPLOYEE COMPLAINT PROCESS**

An employee who alleges violation of any provision of these regulations may report such acts to the City and, at the employee's discretion, exhaust available employer internal remedies. The complaint to the City shall be handled as follows:

To file a complaint, an employee must complete complaint questionnaire and submit it along with copies of check stubs. Contracts and Compliance shall provide the complaint forms in English, Spanish and/or any other language spoken by a predominance of the employees.

- (a) Contracts and Compliance shall notify the agency and the employer of the complaint and seek resolution within five days from receipt of the complaint form. If resolution is not accomplished, Contracts and Compliance shall investigate the complaint, conducting employee interviews performing site visits if necessary, and make a determination regarding the alleged violation.
- (b) If Contracts and Compliance determines that there has not been a violation of these requirements, the employee and administering agency will be notified in writing of its determination and the investigation will be concluded.

- (c) If a violation is found and corrected, Contracts and Compliance will promptly issue a written notice.
- (d) If a violation is found and not corrected, Contracts and Compliance will issue a written notice of noncompliance which sets forth the basis for its decision, the amount owed the employee and notice that the employer is entitled to an administrative hearing as provided for under Section 11 above.
- (e) The complainant's or witness' identity will not be divulged to the employer without the individual employee's written consent. Complainant employees shall be advised, however, that such confidentiality may hinder the City's ability to successfully enforce their claims.
- (f) Employers shall not discharge, reduce the compensation of, or otherwise discriminate against any employee for making a complaint to the City, participating in any of its proceedings, using any civil remedy to enforce his or her rights, or otherwise asserting his or her rights under these regulations.
- (g) An employee claiming retaliation (such as, termination, reduction in wages or benefits or adverse changes in working conditions) for alleging non-compliance with these regulations may report the alleged retaliation in the same manner as the initial complaint.

**REGULATION #13: ENFORCEMENT**

Where a violation of any provision of these regulations has been determined, the City will give the employer a written notice. Should the violation continue and/or no resolution is imminent, the City may pursue all available legal remedies, including but not limited to any or all of the following penalties and relief:

- 1) Suspend and/or terminate the contract, subcontract or financial assistance agreement for cause;
- 2) Require the employer to pay back of any or all of the contract amount or financial assistance disbursed by the City;
- 3) Deem the employer ineligible for future City contracts and/or financial assistance until all penalties and restitution have been paid in full;
- 4) Impose a fine or liquidated damages payable to the City in the sum of \$500 for each week for each employee found not to have been paid in accordance with these regulations;
- 5) Order wage restitution for each affected employee.

**REGULATION #14: SAMPLE RFP AND CONTRACT LANGUAGE**

This Agreement is subject to the Living Wage Ordinance of the Oakland Municipal Code and its implementing regulations if it is for an amount of \$25,000 or more, or if it is amended to increase the contract amount by \$25,000 in any twelve month period thereafter. The Ordinance requires among other things, submission of the Declaration of Compliance attached and incorporated herein and made part of this agreement, unless specific exemptions apply or a waiver is granted, that Contractor provide the following to its employees who perform services under or related to this Agreement:

1. Minimum compensation - said employees shall be paid an initial hourly wage rate of \$12.53 with health benefits or \$14.40 without health benefits. These initial rates shall be upwardly adjusted each year no later than April 1 in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Bay Region Consumer Price Index as published by the Bureau of Labor Statistics, U.S. Department of Labor. Effective July 1<sup>st</sup> of each year, contractor shall pay adjusted wage rates.
2. Health benefits - said full-time and part-time employees paid at the lower living wage rate shall be provided health benefits of at least \$1.87 per hour. Contractor shall provide proof that health benefits are in effect for those employees no later than 30 days after execution of the contract or receipt of City financial assistance.
3. Compensated days off - said employees shall be entitled to twelve compensated days off per year for sick leave, vacation or personal necessity at the employee's request and ten uncompensated days off per year for sick leave. Employees shall accrue one compensated day off per month of full time employment. Part-time employees shall accrue compensated days off in increments proportional to that accrued by full-time employees. The employees shall be eligible to use accrued days off after the first six months of employment or consistent with company policy, whichever is sooner. Paid holidays, consistent with established employer policy, may be counted toward provision of the required 12 compensated days off. Ten uncompensated days off shall be made available, as needed, for personal or immediate family illness after the employee has exhausted his or her accrued compensated days off for that year.
4. Federal Earned Income Credit (EIC) - Contractor shall inform said employees that he or she may be eligible for EIC and shall provide forms to apply for advance EIC payments to eligible employees. There are several web sites and other sources to assist you. Web sites include but are not limited to: (1) <http://www.irs.gov> for current guidelines as prescribed by the Internal Revenue Service and (2) the 2005 Earned Income Tax Outreach Kit [www.cbpp.or/eic/2005](http://www.cbpp.or/eic/2005).
5. Contractor shall provide to all employees and to the Office of Contracts and Compliance, written notice of its obligation to eligible employees under the City's Living Wage requirements. Said notice shall be posted prominently in communal areas of the work site(s) and shall include information set forth in sections 1 through 4 above.
6. Contractor shall provide all written notices and forms required above in English, Spanish or other languages spoken by a significant number of employees within 30 days of employment under this Agreement.

7. Reporting - Contractor shall maintain a listing of the name, address, date of hire, occupation classification, rate of pay and benefits paid for each of its employees and submit a copy of the list to Contracts and Compliance by March 31, June 30, September 30, and December 31 of each year during the applicable compliance period. Failure to provide this list within five days of the due date will result in liquidated damages of five hundred dollars (\$500.00) for each day that the list remains outstanding. Covered contractors, subcontractors and CFARs shall maintain payrolls for all employees and basic records relating thereto and shall preserve them for a period of at least four (4) after expiration of the compliance period.
8. Contractor shall require subcontractors that provide services under or related to this Agreement to comply with the above Living Wage provisions. Contractor shall include the same or similar provisions as those set forth in sections 1 through 7 above in its subcontracts. Copies of said subcontracts shall be submitted to the Office of Contracts and Compliance.

Furthermore, contractor shall include the above requirements in its subcontracts for services related to this Agreement.

### **Request for Proposals**

This contract is subject to the Living Wage Ordinance of the Oakland Municipal Code and its implementing regulations. The Ordinance requires that, unless specific exemptions apply or a waiver is granted, all service contractors who receive contracts for \$25,000 or more in any twelve month period, and recipients of City financial assistance of \$100,000 in any twelve month period or more shall provide payment of a minimum level of compensation to employees who perform services under or related to the contract, project or program of \$12.53 per hour if health benefits of at least \$1.87 per hour are offered, or \$14.40 per hour if no health benefits are offered. Such rate shall be adjusted annually pursuant to the terms of the Ordinance.

Under the provisions of the Living Wage Ordinance, the City shall have the authority, under appropriate circumstances, to terminate this contract and seek other remedies as set forth therein for violations of the Ordinance.

### **REGULATION # 15: AMENDMENTS**

*These regulations may be modified or amended by the City Manager or his or her designee as he or she deems appropriate, consistent with the terms of the Ordinance.*