

ORDINANCE NO. 2017-08

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 15, *LABOR*, CHAPTER 15-01, *MINIMUM WAGE*, SECTION 15-01-001-0003, *MINIMUM WAGE*, AMENDING THE TIMELINE FOR INCREASES IN THE MINIMUM WAGE IN FURTHERANCE OF THE PURPOSES OF TITLE 15, PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, Article X, Section 1 of the Flagstaff City Charter incorporates the Arizona Constitution and the general laws of Arizona on initiatives; and

WHEREAS, Pursuant to Article 4 of the Arizona Constitution, and other general laws of the state of Arizona in the Arizona Revised Statutes, Proposition 414, The Minimum Wage Act, was an initiative properly circulated, verified and placed on the ballot for the November 8, 2016 election; and

WHEREAS, Proposition 414 was approved by the Flagstaff voters on November 8, 2016; and

WHEREAS, Proposition 414 was proclaimed law by the Mayor on November 28, 2016 and became Title 15 of the Flagstaff City Code; and

WHEREAS, Pursuant to Article 4, Section 1, Part 1(14) of the Arizona Constitution, an amendment that furthers the purposes of an initiative and is approved by a three-fourths of the City Council is permitted by law; and

WHEREAS, the "Information Pamphlet for the City of Flagstaff, Arizona General/Special Election November 8, 2016" (hereinafter referred to as "Information Pamphlet"), which was properly distributed to Flagstaff voters prior to the November 8, 2016 election, and the proposed ordinance that was submitted to the voters for consideration establish that the purposes of Proposition 414 were as follows:

1. to provide a livable minimum wage for Flagstaff workers;
2. to account for the higher cost of living in Flagstaff by establishing a minimum wage in Flagstaff that is greater than the state minimum wage; and
3. to achieve a \$15 per hour minimum wage in Flagstaff by 2021 through a gradual, phased implementation.

WHEREAS, Proposition 206, a state initiative, was approved by the Arizona voters on November 8, 2016 resulting in an increase to the state minimum wage to \$10.00 an hour, which became effective on January 1, 2017; and

WHEREAS, the negative compounding effects of State Proposition 206 and City Proposition 414 were not anticipated, nor were they described or analyzed for Flagstaff voters in the Information Pamphlet; and

WHEREAS, the negative compounding effects of State Proposition 206 and City Proposition 414 result in the drastic increase in the Flagstaff minimum wage from \$8.05 an hour to \$12.00 an hour (almost a 50% increase) over the short period of only six months; and

WHEREAS, it is the intent of the City Council to amend the timeline in Proposition 414 to further its purposes by adjusting the incremental rate at which the minimum wage is escalated in order to provide for a gradual increase in the minimum wage to \$15.00 an hour by 2021, as contemplated by Flagstaff voters.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Code, Title 15, Labor, Chapter 15-01, Minimum Wage, Section 15-01-001-0003, Minimum Wage are hereby amended as set forth below (deletions shown as stricken, and additions shown as italicized and bolded text):

15-01-001-0003 Minimum Wage

- A. Employers shall pay employees no less than the minimum wage, which shall be not less than:
1. **\$10.50** an hour or ~~\$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater,~~ on and after July 1, 2017;
 2. **\$11** an hour or ~~\$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater,~~ on and after January 1, 2018;
 3. **\$12** an hour or ~~\$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater,~~ on and after January 1, 2019;
 4. **\$13** an hour or ~~\$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater,~~ on and after January 1, 2020;
 5. **\$15** an hour or ~~\$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater,~~ on and after January 1, 2021.
 6. ***\$15.50 an hour or \$2 above the state minimum wage as provided for under Section 23-363, Arizona Revised Statutes, whichever is greater, on and after January 1, 2022.***

- B. The minimum wage shall be increased on January 1, 202~~2~~**3** and on January 1 of successive years, by the increase in the cost of living. The increase in the cost of living shall be measured by the percentage increase as of August of the immediately preceding year over the level as of August of the previous year of the consumer price index (all urban consumers, U.S. city average for all items) or its successor index as published by the U.S. department of labor or its successor agency, with the amount of the minimum wage increase rounded to the nearest multiple of five cents.

SECTION 2. Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed.

SECTION 3. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. Effective Date.

This ordinance shall become effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of March, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY