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Office of the City Auditor
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August 7, 2018

LaTonda Simmons, City Clerk
1 Frank H. Ogawa Plaza
Oakland, CA 94612

RE: Financial Analysis of the Workplace Protections for Hotel Workers Measure for
November 2018 Ballot

Dear City Clerk:

I am pleased to submit an impartial analysis of the *Workplace Protections for Hotel Workers Measure*, which proposes to amend and add sections to the City of Oakland's Municipal Code by creating a higher minimum wage for hotel workers, furthering employment standards, and creating a new Department of Workplace and Employment Standards on the November 2018 ballot.

The Office of the City Auditor prepared this analysis in accordance with Municipal Code Section 3.08.210, which requires the Office prepare an impartial financial analysis of each measure qualifying for ballot placement.

If you have any questions, please contact Carlos Hickerson, Assistant City Auditor at 510-238-7609.

Sincerely,

A handwritten signature in blue ink that reads "Brenda D. Roberts". The signature is fluid and cursive, with a large loop at the end.

Brenda D. Roberts
City Auditor

Summary

This Measure, if adopted by a majority (more than 50%) of voters, would amend and add sections to the City of Oakland's Municipal Code requiring Oakland hotels, with 50 or more guest rooms or suites to provide hotel employees the following:

1. **Measures to protect hotel employees from threatening behavior** including, but not limited to, a "panic button", re-assignment/removal from threatening situations, management support in reporting and investigation, protections from disciplinary actions and posting notice of hotel worker protections in guestrooms;
2. **Measures to provide a humane workload** including fair compensation for workload assignment and employee consent to overtime and work assignment capacity beyond stated limits;
3. **Minimum wages** initially of \$15.00 per hour with health benefits or \$20.00 per hour without health benefits, which would increase annually with inflation (effective July 1, 2019). Comparable City of Oakland and State of California minimum hourly wages are currently \$13.23 and \$11.00 respectively;
4. **Employee access to records** regarding the employee's pay rate, daily workload, and overtime for a minimum of 3 years; and
5. **No retaliation** for exercising their rights under this Measure.

Financial Impact

The City of Oakland's Finance Department estimates the creation of a new department, as proposed by the Measure, would cost the city \$2.8 million annually for staffing and operations.

Other potential, but currently unquantifiable, impacts may include:

- Future staff salary and benefit cost of living increases;
- Initial and on-going community outreach and education costs around rights and responsibilities.

Disclaimer

The Office of the City Auditor has not audited and, as such, has not validated the City of Oakland Finance Department's financial and statistical analysis that supports this measure. References to this data in our independent analysis represent the best data available at this time.