

National Restaurant Association article

Alan Schulman <alan@akasharestaurant.com> To: richard.williams@lacity.org

Tue, Apr 21, 2015 at 9:25 PM

Richard,

Please post the attached article to file# 14-1371-52.

Thank you, Alan Alan Schulman Akasha Restaurant alan@akasharestaurant.com R-310.845.1700 CI-323.816.9771

On Apr 21, 2015, at 9:23 PM, Alan Schulman <alan@akasharestaurant.com> wrote:

Hi Richard,

This article appeared on line n a National Restaurant Association article. The data is quite compelling. We need to learn from other peoples mistakes.

Alan Alan Schulman Akasha Restaurant alan@akasharestaurant.com R-310.845.1700 CI-323.816.9771

<What happens when a city raises its minimum wage 36%_ __ National Restaurant Association.pdf>

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National Restaurant Association - What happens when a city raises its minimum wage 36%?

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What happens when a city raises its minimum wage 36%?

April 9, 2015

Businesses are feeling the pressure of a sudden 36 percent increase in the minimum wage in a major West

Coast city. And while the labor unions that backed the increase said the higher wage would stimulate the city's economy, the reality for many local businesses is far different.

A new survey of Oakland, Calif. business owners, including restaurant operators, found that nearly a third—27 percent—said it was "very likely" or "somewhat likely" that they'll have to close in response to the mandate that increased the city's minimum wage from \$9 to \$12.25 on March 2.

Other findings:

- Forty seven percent said they've already raised prices to help cover the added cost.
- Thirty percent of the businesses surveyed said they've cut their hours or employee hours in response the increase.
- About one in six businesses—17 percent—laid off employees or reduced staffing levels to cover the costs of the mandate.

Economic growth in Oakland could ultimately suffer as a result of the increase. Thirty percent of those surveyed said they've already decided to delay or halt further expansion within Oakland.

Oakland is one of several major cities that has or is considering implementing a minimum wage far above the federal level of \$7.25. Seattle recently increased its minimum wage to \$11 for many businesses, and San Francisco will increase its \$11.05 minimum wage to \$12.25 in May as it moves toward a \$15 minimum wage in 2018.

The minimum wage increases in Oakland and San Francisco are the result of ballot initiatives that passed last November.

The survey was conducted earlier this month by the Employment Policies Institute. It has received significant media coverage since its Thursday release, including:

CBS News: Feeling the pain of a \$12.25 minimum wage

Investor's Business Daily: Oakland minimum wage hike: 30% of firms cut hours

Daily Caller: Oakland businesses respond to wage hike

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