

March 21, 2016



The Honorable Curren D. Price, Jr.
Chair, Economic Development Committee
City of Los Angeles
200 North Spring Street
Los Angeles, CA 90012

RE: Citywide Minimum Wage Ordinance Follow-up Policies

Dear Councilmember Price,

On behalf of the California Grocers Association, I write to share concerns with both the timing and potential policy elements being considered as a follow up to the minimum wage ordinance.

A major concern with this agenda item is the memo discussing follow-up policy options was only made available on Friday, March 18 and the committee is being asked to make decisions only one full business day later on March 22, 2016. This rushed timing provides little to no opportunity for the grocery industry and individual grocery companies to review, understand and provide comments on policy impacts.

It is important to note the follow-up policies could increase the costs to operate grocery stores and disrupt operational practices. As an industry with an average 1% profit margin, unknown and unforeseen financial impacts could dramatically impact the success of a grocery store.

We respectfully ask the committee not make any recommendations at this time on potential policies and allow impacted industries the opportunity to understand and communicate potential issues before deciding. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy M. James".

TIMOTHY M. JAMES
Sr. Manager, Local Government Relations

cc: Members, Economic Development Committee
Mr. Adam Lid, Legislative Assistant, Economic Development Committee