

Gratitude Program for Grocery Store Workers

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Housing Department
City Council
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January 2021 - Long Beach Hero Pay Ordinance

1. First City in California
2. Grocery store workers
3. Minimum 300 employees nationwide
4. Minimum 15 employees in Long Beach
5. \$4 an hour additional pay
6. 120 days



Jurisdictions with Hero Pay Ordinances

Berkeley	Grocers with 300 employees nationwide	\$5 per hour	23-Feb-21	120 days
Buena Park	Retail with at least 20 employees	\$4 per hour	9-Mar-21	120 days
Coachella	Agricultural, grocery, restaurant & retail pharmacies	\$4 per hour	10-Feb-21	120 days
Costa Mesa	Grocers with 300 employees nationwide	\$4 per hour	16-Mar-21	120 days
Daly City	Grocers with 500 employees nationwide	\$5 per hour	9-Mar-21	120 days
Irvine	Grocers with 500 employees nationwide	\$4 per hour	23-Feb-21	120 days
Long Beach	Grocers with 300 employees nationwide	\$4 per hour	2-Feb-21	120 days
Los Angeles	Grocers with 300 employees nationwide	\$5 per hour	8-Mar-21	120 days
Millbrae	Grocers with 750 employees nationwide	\$5 per hour	9-Mar-21	120 days
Montebello	Grocers with 300 employees nationwide	\$4 per hour	27-Jan-21	180 days
Oakland	Grocers with 500 employees nationwide	\$5 per hour	2-Feb-21	Pandemic
Palm Springs	Grocers with 300 employees nationwide	\$4 per hour	25-Feb-21	120 days
Pomona	Grocers with 300 employees nationwide	\$4 per hour	1-Mar-21	120 days
San Francisco	Grocers with 500 employees nationwide	\$5 per hour	9-Mar-21	61 days
San Jose	Grocers with 300 employees nationwide	\$3 per hour	23-Feb-21	120 days
San Mateo	Grocers with 750 employees nationwide	\$5 per hour	15-Mar-21	90 days
Santa Ana	Grocers with 300 employees nationwide	\$4 per hour	3-Mar-21	120 days
S San Francisco	Grocers with 500 employees nationwide	\$5 per hour	11-Mar-21	90 days
Santa Monica	Grocers with 300 employees nationwide	\$5 per hour	9-Mar-21	120 days
West Hollywood	Grocers with 300 employees nationwide	\$5 per hour	16-Feb-21	120 days
Los Angeles County	Retail grocery stores and retail drug stores	\$5 per hour	23-Feb-21	120 days
Santa Clara County	Grocers with 300 employees nationwide	\$5 per hour	9-Mar-21	180 days

1. Define which frontline workers qualify
2. Which employers will be mandated to pay employees
3. Amount of premium pay per hour
4. Length of time





Substantial exposure to litigation



Pandemic Timeline



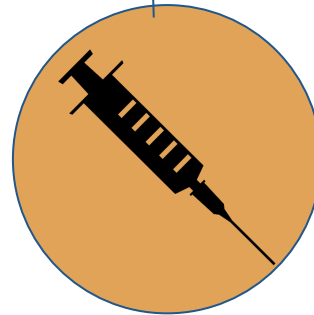
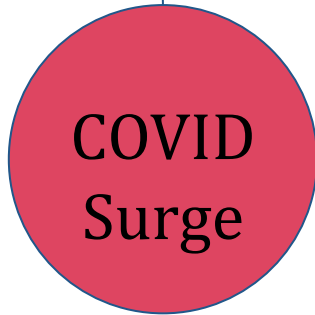
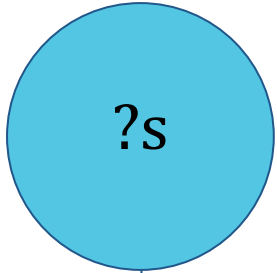
Economic Impacts

California Grocers Association:

1. Represents over 300 grocers
2. Filed lawsuits against multiple cities
3. Contend that “Hero Pay” ordinances violate US Constitution and California Constitution’s Equal Protection Clauses
4. Allege that ordinances are preempted by National Labor Relations Act



Pandemic Timeline



1. Extra pay mandate of \$5 per hour equals 28% average increase in labor costs for grocery stores
2. Could result in increased grocery prices
3. Grocers may lay off employees, cut hours, or close poorly performing stores



Gratitude Program for Grocery Store Workers ⁹

1. Rewards frontline grocery store workers
2. Money goes directly to workers
3. Increases the number of workers receiving compensation
4. Paid from American Rescue Plan Act



Proposed Criteria:

1. Worked in an Oxnard grocery store
2. Minimum of 3 months
3. March 2020 - March 2021
4. \$1000 grant

Up to \$2 million of American Rescue Plan Act funds
(\$1,000 per worker x 2,000 workers = \$2 million)



Staff recommendation:

1. Receive a report on “Hero Pay” for Grocery Workers;
2. Adopting a Resolution establishing a Gratitude Program for Grocery Store Workers (“Program”); and
3. Authorizing the City Manager to utilize up to \$2 million in America Rescue Plan Act funds to implement the Program.



End of Presentation