

From: Suzanne Salata
Sent: Wednesday, January 30, 2019 7:36 AM
To: 'sam.liccardo@sanjoseca.gov'
Subject: Update to San Jose's Wage Theft Prevention Ordinance
Importance: High

Mayor Liccardo,
Sam,

I am contacting you because of my concerns with the recent memo going to the Rules Committee today regarding the San Jose Wage Theft Prevention Ordinance update. There are many concerns and misunderstandings that need to be addressed. I will attempt to identify some of them below:

1. This is an 11 page document, complicated and controversial. Why would you not have this go through the normal channels of "priority setting" with the Council? This would allow for "open discussion" with all stakeholders. To date, I have not found one contractor or developer who knows anything about this ordinance update. This is not "good government". There is a huge push for "affordable housing" – don't you want the developers to build in San Jose? Well you should include them when you are suggesting adding "costs and time" to the permit process.
2. I assume the author of this document is the Union – Working Partnerships – do you not see a problem with this?
3. Allowing a "non profit" to review the payroll of our companies as well as allowing them to interview our employees is very problematic. Privacy issues, how is a nonprofit selected, is it even legal for this procedure for private work? Litigation will certainly be suggested if the information is mishandled. Do you really want to go down this road?
4. How many additional city employees will it require to manage this process?
5. Getting permits in the City of San Jose is already a "night mare" – do you want to add to the process?
6. Silvery Towers was a terrible situation. But, how many wage theft cases has the Office of Equality Assurance worked on since the original ordinance was passed? Do we have "hard data" in the City of San Jose to support the claims of "wage theft"? The Silvery Tower project was discovered and resolved with penalties by the US Department of Labor and the State of California. Do we not have laws in place to address this problem?
7. How does a "Covered Party" know for sure if their sub contractors are completing the paperwork correctly and truthfully as required under this ordinance? I suggest that they will need to hire more staff and attorneys to "research" each and every document. Five thousand square feet (5,000) is the threshold for this ordinance. That is not really a "large project" – many small/medium and minority contractors would be involved. Do you think they have the "bandwidth" to implement this ordinance and compete?

These are just a few of many concerns/questions. If anything I have outlined is "wrong or misunderstood", well...that is my point. We need to slow down, open this discussion to all stakeholders and get their input to craft an ordinance that makes sense, is enforceable, and really addresses a problem that is not already being addressed by existing laws. What is the hurry? I can tell you, my husband, Jim, and I are "horrified" at what we have read in this

ordinance. So are others that I have spoken to. At the end of the day, employees need wage protections, companies need to build in San Jose, affordable housing, commercial, etc. and we do not need to add unnecessary obstacles to the permit process that costs time and money.

[Sam](#), I am certain you will do the right thing and recommend this go the “priority setting” process for staff to manage this issue with input from the public.

Best,

Suzanne Salata

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