

**Proposed Working Families Ordinance - Lessee Virtual Roundtable Meeting
Monday, August 23, 2021**

| Name | Received Via? (email, verbal, mail, roundtable) | Organization (If Any) | Primary Topic | Comment or Question | Staff Response |
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| Keith Miller | Chat | | Subcontractors subject to ordinance and exemptions | I operate a model airplane club on leased property. We have no employees. But I understand that subcontractors I may hire such as for paving may be impacted. Is this true, and how do I manage that? | So, as a lessee if you have a contractor who is doing paving work, that could potentially be subject to this ordinance; there is a single project limit of \$25,000, so if the cost of that paving project were under \$25,000, it should be exempt. But if it were more than that, then yes, this would be applicable. |
| Ronald Lelakes | Chat | YMCA | Building new amenities on current leased properties | Ron with the YMCA- We have a lease at the McGrath Family YMCA. Building new amenities on current properties, would they be impacted by new ordinance. If so this could drive up cost on community driven programs designed by the county and the YMCA | On those particular leases, the YMCA, if they were to build additional amenities on there, if it exceeded the exception amounts, Anne just spoke of one of them, if it was a smaller project below \$25,000 for tenant improvement type work, then it would be exempted. There is also, in the draft ordinance another exemption, so there is a series of them there. If they were outside of those exemptions, then yes. There's an exemption for construction contracts of less than \$500,000, for example. Looking at section 73.12 would be a good place to start to see if that type of work was exempted from the ordinance. And again, as a reminder, folks can come back to the BOS if this ordinance were to be approved at a later date, to request waivers to the ordinance. So, that's something also to keep in mind for projects specific desires to have these things waived from the ordinance outside of the exemptions. ___ And then I'd like to add to that, that again, the ordinance is anticipated to be prespective, so existing lessees may not be subject to the ordinance unless and until they go forward for discretionary amendment to the Board. We do want people to consider the impacts. A lot of our tenants have long term leases and it is possible that over the duration of their remaining term, that they would need to amend their lease for some reason and would become subject to it at that point. Just wanting to clarify that. |
| Scott | Chat | | Prevailing wage | What reference do you use to determine prevailing wage? | 29:54 -It's not been clarified. It's of all the existing prevailing wage, living wage, or minimum wage laws in place or which become in place, it would be the higher of those. But it is not specially referenced in the ordinance which is the highest at this point in time. Right, and to clarify on that...in Section 73.10, part B, there is a statement about prevailing wage rates set by the California Department of Industrial Relations, if that's helpful. |
| Josef Napier | Chat | | Sick leave | 30:29 - We use the State of California minimum requirement for Sick Leave formula which could be less than 56 hours for part time employees. | 30:43 - I think how the ordinance would apply to specific situations like that would probably need to be determined at the time that the ordinance is approved. We cant advise on the specifics of how it would apply to a particular business. business. |
| Wayne Rosenbaum | Chat | | FAA assurances | 31:00 - How will the county address FAA assurances if rents are negatively impacted by the Ordinance? | 31:11 - We are in communications with the FAA regarding weather or not this ordinance has any impact on our grand assurances. We do not believe that it does. Those impacts in the future would have to be analyzed and discussed with the FAA once known. I mean at this point, we dont have specific data to demonstrate that there is any impact to our revenue. |
| John O'Reilly | Round Table | PAAC | Loss of Lessees | 32:12 - Thanks for holding this. I'm serve on the Palomar Aiport Advisory Committe, and also in two Chambers and a small business owner myself. My greatest concern is actually for the County on this because I think that they might lose a lot of lessess. The ones that dont have to be where they currently are, could eventually move to nearby, private property to lease. And I know we are proud about Palomar Airport not having any tax payer expense, it's all supported by the lessees, and so I'd hate to see the County lose that. That's not to mention the extra burden on small business that this would cause. I think its kind of interesting to compare this to private landlords right now who are expected to roll over and give everything to their tenants and take on a lot of hardship. Then turn around, that when the County is the landlord, all of a sudden, it's a whole dfferent ball game. I think that's an interesting comparison. Thanks for putting this on and hearing everybody. Have a good night. | Thank you. |
| John Osborn | Roundtable | NA | Submitted comments to Cathy and Marco by phone | 33:30 - Just a comment, I sent in written comments this afternoon in the communication that came out from the County. I didn't see a particular email address to send it to but I did call Marco's office and got Kathryn Umali. I just wanted for the record to say that I had submitted written comments through Kathryn. She said to send it to her email. So, I just for the record, wanted you to know that those comments were sent there and there is an inquiry about the collective bargaining agreement and also paid sick leave for those companies that already provide paid sick leave to their employees. We just wanted it to be in leiu of and not additive to what the County is requiring if we meet those 56 days. | Thank you for letting us know about your comment. And if it was directed to Kathy, then I'm sure we will receive it for our records. |
| Michael Borden | Roundtable | High Performance | Payroll Audit | 34:51 - With the payroll that we would have under this new plan will it be required to be a certified payroll or audited payroll? | 35:05 - The implementation process for this ordinance is not really been set yet, so the exact method by which that would be verified is to be determined. |
| Michael Borden | Roundtable | High Performance | Wages | 35:25 - How do we determine whether or what the pay rate is for a pilot or a mechanic as a minimum pay rate for those? | 35:38 - If it's not a classification that exists as a prevailing wage classification that would not apply, so it would be the higher of living wage in place for minimum wage. |
| Michael Borden | Roundtable | High Performance | Wages | 35:50- What is the living wage for a pilot or mechanic? | 35:55 - The living wage would be something that's formally determined by the jurisdiction that the County property is located in. For example, the County in the unincorporated area does not currently have a living wage ordinance, so that wage category would fall out of the consideration for which is the higher. so if there was no prevailing wage category and you are in a jurisdiction without an approved living wage ordinance or living wage, then it would default to the minimum wage or an applicable local state or federal wage. |

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| Michael Borden | Roundtable | High Performance | Wages | 36:40 - This seems rather odd, because if we look at the wages that are associated with the construction where a flagpole bearer would be paid a minimum of about \$36 an hour yet if a pilot doesn't have a classification they would then revert to minimum wage I find that kind of hard to believe. | 37:12 - Your comment has been noted thank you. // It's just a minimum, so you could pay them whatever you'd like. |
| Michael Borden | Roundtable | High Performance | Wages | 37:22 - If that's really the case, I don't see classifications for most of the jobs at the airport. Our concern would be that we have aircraft being moved all the time by tug, if they are classified as a forklift operator their pay would go from somewhere around \$18 to \$20 an hour to about \$50 or \$60 an hour. Is that something that you see as a possibility happening? | 38:05 - We don't know what wages will be established by the various jurisdictions going forward in the future so I wouldn't want to speculate on that. although I do think it would be extremely helpful if you have potential Financial impacts that you foresee based on the draft ordinance that you provide those to County staff and the board offices to ensure that it's considered in their review of the ordinance. |
| Michael Borden | Roundtable | High Performance | Wages | 38:35 - I don't really understand how we can even have the slightest idea what impact is going to have if we don't have actual wages to use in our analysis. How could this even be considered without those numbers? | 38:59 - I think if that's the concern, is the uncertainty that this causes for your business, then express that to the Board and to express that to staff either through this forum or in writing, then we can ensure that that reaches the board offices. |
| Michael Borden | Roundtable | High Performance | Wages | 39:25 - Well I'm concerned. I think everybody on this zoom call would be concerned because at the airport at least we haven't been able to find any classifications for virtually any job that's at the airport and it seems to me that the before they would propose a bill like this they would at least have designated or given us some definitive numbers to work with because it's this could be devastating if they utilize the construction numbers that are generally government subsidized union jobs. | 40:06 - I don't think they're going to apply construction wages to a non construction classification so it would have to be established at a state, federal or local level independently. |
| Michael Borden | Roundtable | High Performance | Wages | 40:34 - If the County BOS feels this is important, then why don't the implement this for all of San Diego, and not just for leased land? | 40:50 - We'll make sure that that questions has been asked of the Board. This is Marko, and I would like to add a little bit of context. This ordinance applies to both construction Contracting and leasing so the predominance of the prevailing wage to the construction industry. There will some bleed over if there some construction activity on leased space but the intent of the prevailing wages to align with construction activities and if it doesn't apply to construction then it would default to the living and minimum wage. |
| Barry Bardack | Roundtable | GFDC | Increase of hangar rents | 41:56 - On renter impacts especially at Gillespie. I'm chief instructor at Golden State Flying Club and also on the Gillespie Field Development Counsel. And the major leaseholders are required to do certain upkeeps and redevelopment on our lands and that is construction so that would definitely affect the cost of operations, and have you considered the impact it's going to have on the renters? Because that's going to mean the hangar rents are going to go up and I saw something similar to this happen about 15 years ago up at Riverside and the rents went to such a price that they couldn't even rent those hangars they couldn't give them away. | 42:48 - Well, [So where going to bring all these questions to the Board. We're gathering input for our report to the Board but ultimately those are questions directed to the board and we can't speak for them]. |
| Barry Bardack | Roundtable | GFDC | Loss of jobs/East county Economic Hit | 43:07 - The other one is you also need to consider the job impact. As I understand it, we were under negotiations for a major lease at Gillespie with Amazon, and just the threat of this ordinance and Amazon pulled out of negotiations. And that probably cost us hundreds of jobs, which also cost the east county an economic hit. Need to consider that and might as well make one more comment since you can't answer any questions, per se, the county has always had a laissez faire attitude about the major leaseholders, ran their leases and how they can control their rents and construction and everything. This major change is a whole change in attitude that has been inexistence for many, many decades. | 44:05 - Thank you Barry, and I would like to reiterate that we're gathering the questions tonight and those that we will be able to find answers to we will post those in written format later. We just can't necessarily answer them in this forum.} I understand, that's all I have for now. {Thank you, Barry.} |
| Eric Wiese | Roundtable | Wiese and Associates Real Estate Company | Impact on ability to sell or finance; Wages; lawsuit if Ordinance passes | 44:45 - Thank you, my name is Eric Wiese. I'm president of Wiese and Associates Commercial Real Estate Company. I also happen to own 1941 Friendship Drive unit B and C, which I purchased for a great deal of money. And now it's subject to a lease that appears to be changed. Now you're telling us that it's not going to be that and that it would require a renewed lease in order for that to happen. But we need new leases whenever we get within twenty-five years of the end of our existing lease. Because otherwise we can't get an SBA loan when we go to sell them. So, it's only a matter of time for that new lease to require all of these be put in effect. In addition, I actually looked underneath the lease and it states that we're subject to all the laws of the County, so your statement that all of these are not going to apply to us I find is not something that I can't take to the bank...in fact we have attorneys that where are currently looking at it as part of our homeowners association and each and every one of you on this Zoom meeting are encouraged to contact me so that I can put you in touch with our attorney and we can share the cost of the lawsuit that inevitably is going to happen when this is put into place. So erik@ewiese.com. It's right on my picture. go ahead and send me an email and we can all participate together in fighting this because I can tell you what's going to happen, they're going to completely ignore everything that we're saying here tonight. And you know why I know they're going to do that? Because I was at meeting with the County BOS, 4 weeks ago and they gave an award to all of their Union supporters. They gave them a plaque. And the union person stood there with the plaque and said ---- | |

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| Eric Wiese | Roundtable | Wiese and Associates Real Estate Company | Impact on ability to sell or finance; Wages; lawsuit if Ordinance passes | <p>CONTINUED - "We dont need a stupid plaque, we need jobs! and you better give them to us or we're going to vote you out of office Nathan Fletcher". So that's what motivating this whole thing. It's payback for Nathan Fletcher's voters to get union jobs and put all of you people with have non-union workers out of work. And let me mention one other thing, they're trying to sneak in Living wage. I'm looking right now, what the living wage is over here in San Diego County and it's \$21/hour for zero children, \$52/hour for 2 children. So don't think that you're going to get away with minimum wage. The living wage is almost as high as the Union wages. And I am looking at union wages at 25-33% higher than non-union. So when you go to do all of your tenant permits, you are going to get 33% less. They are taking it out of your pocket, and they are putting it in the pockets of the Union supporters so that Nathan can get reelected. Contact me, I will put you in touch with out attorney. We can all share the cost because I can almost guarantee you, that's where its going and that the only thing that they will understand.</p> | |
| De Marie Ramirez | Roundtable | | Non-profit child care will be put out of business; loss of affordable child care for families | <p>47:45 - It's De Marie Ramirez (sp). [Oh thank you] I work with {illegible} Services, a non-profit organization providing childcare. Affordable child- care, actually we were invited by the County a few years ago to come in and provide affordable child-care for the working families. And it's taken us a few years, but we have done exactly that with no profit in any way and sometimes we just somehow make it, but we have provided affordable child-care for families so that they can go to work or go get vocational education. Now this here what I hear is, we have done everything we can to obey all the laws, living wage. We try, we stay just a notch above minimum wage. If this, we don't do things it puts us completely out of business at the community level. Then families lose affordable child-care. So, we're trying and we're doing our best we were asked to do this and now we're being treated like we're not important enough for the families we're providing these services for and we're going to have to tell the families that the same County that asked us to come in and provide services, is going to close us down.</p> <p>So, I do need that to be taken into consideration. Also, that we have other childcare centers as well. The confusion of the sick leave policies that if an employee goes to one site to work and it has the minimum sick leave days of 56 hours and then they to work at a different site then we have to pay them 56 hours when they really only work there part-time and then they go visit at another site where we have to do with California laws.</p> | Thank you. |
| De Marie Ramirez | Roundtable | | Non-profit child care will be put out of business; loss of affordable child care for families | <p>Continued -- So, I think affordable childcare is the loss here for these rules the County is coming up with. That's something I would really appreciate being taken into consideration.</p> | Thank you very much for your comments. And we certainly have captured those this evening and will document those. Thank you. |
| Chris Nelson & Sam Suki | Roundtable | Gillespie Field leaseholders | Sustainable leasehold development | <p>50:04 - Chris Nelson and Sam Suki here, We both are owners of property on the Gillespie Field Ground lease and brokers within the market who have sold a lot of those properties. One of the things we wanted to talk about that we wanted to make sure was getting taken into account, was one of the best things about these properties is that with sustainable improvement, they are extendable and this is going to discourage people from extending the ground leases. I know in the climate today we really need to focus on sustainable improvement so anything that would take away from people being encouraged to do those projects, I think is a negative for the business park and the County in total. I think that's something that just needs to be well thought of when this potentially gets put into effect.</p> | Thank you Chris. |
| Eddie Kurdziel | Roundtable | Airworld, LLC P.O. Box H Del Mar, CA 92014 | Wages/FAA grant assurances | <p>51:06 - I'm a leaseholder at Gillespie Field, I have some hangars out there. The businesses I do not own that are in the hangars currently, they employ a lot of people. We have an avionic completion business and a jet maintenance business in those two hangars and aviation is a very very competitive and one of the things the County needs to understand is you know airplanes are very mobile and those airplanes are going to go someplace else for work; if we can't pay these people, you know, prevailing wage - we have no idea what that is as Mike Borden said. I mean we don't know, I mean we can't tell you what impact there is going to be. For me, if those tenants move out, my hangars will become storage hangars only, right? So the businesses are all going to go away, and in East County, El Cajon is the poorest community in all of San Diego County. It makes all the County airports very uncompetitive and what is very interesting about the County airports, I believe that they all lie within our two Republican representatives on the Board of Supervisors and I do not believe there is any leased land in Nathan Fletcher's district. This really, really unfairly impacts the airport and as Anne said they've reached out to FAA (Federal Aviation Administration) and I can't say that this will not affect grant assurances; the County accepts quite a bit of money and airport improvement program funds to keep the airports going and if these airports are shown to be uncompetitive because of a law the County passed, I think it will take all of the County airport AIP (Airport Improvement Program) funds that have been accepted and put those in jeopardy, and I don't necessarily agree the FAA is not going to say anything about that.</p> | Thank you, Eddie. |

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| Barbara White | Roundtable | | | <p>53:16 - Thank you, Krista. I am Barbara White. I am the Chief Financial Officer for Taylor Guitars. We lease indirectly and directly, sublease nine buildings in the Gillespie Field area. And we have over 500 employees here in El Cajon. Close to half of our employees are people of color and as was mentioned before, El Cajon is an area...its one of the poorest areas in the County, overall. We bring people in completely untrained with only a High School education and we give them training and job. It take us months to train a guitar bulider. And we are very concerned about this. We submitted a letter earlier today to Lidia Sadinsky and to all of the County Supervisors as well. And it's too unclear exactly what this means as risk to our business. I know that it was stated earlier that the Prevailing wage only applies to construction, but if you read section 73.11 of the proposed ordinance, the prevailing wage also applies to sublessees as well. Not sure what it means for vendors or contractors we might bring on the property. Theres a number of things that we are very concerned about, and like all business we make a decision every single day about how we are going to go forward in the future and this has us very concerned. We have been here for 47 years, in East County. And our goal is to be here for another 100 years. But this is one of the biggest things of concern weve seen come across the entire time that we have been here. So we would love the opportunity for further dialog with any and all. What I dont understand, is that it seems like, if you read who this is supposed to be helping, it's actually going to hurt those folks. It's actually going to hurt the very people that it's reporting to help. The people that we're hiring, weve hired over 170 people since covid started, here in El Cajon. They are the people that are at risk most. Love the opportunity to have further dialog. We will be present at all of the events. We have many members of our management team are on this call as well. And it's a subject that we discuss every single day since the ordinance was proposed. Thank you for your time.</p> | Thank you, Barbara. We appreciate it. |
| Chief Joseph (Joe) Napier | Roundtable | Fire Chief Valley Center Fire Protection District | Wages/Union Labor | <p>55:51 - Our Fire Station One is on County leased land, we've owned those two facilities that are on County leased land since 1977. We have a hundred year lease with the County that's basically been untouched and the reason it ended up being a lease with the County is because the County through mutual agreement took over the Parks and Recreation District in Valley Center, so we reported, along with the Parks and Recreation District to the County. The facilities that we've been maintaining ourselves, and alot of times firefighters do general maintenance on facilities. What I would like everyone to understand, especially the Board of Supervisors is that if the Valley Center Fire Protection District is forced to bring in skilled laborors at union wages it's going to outpace our ability to do self-help projects which save our taxpayers a significant amount of money. I know initially in this conversation we were talking about large capital projects but I just want to make sure that this is not going to be very far reaching, where I have to hire a union plumber to come in and change out an insinkerator underneath the sink where I can have a firefighter go down to the A-One hardware store, our local hardware store, grab a garbage disposal and install it ourselves, which would save our community a significant amount of money. So just a broad statement about how fire departments all over the Country take care of their own facilities. We have taken care of our own facilities since the seventies and we got ported over to a lease that we had with the Parks and Recreation District and we want to make sure that there's going to be little to no impact. The second thing I'd like to state is that we are a state special district and follow the state laws of the land as it pertains to sick leave, the formula comes right out of California law and so to change that by County ordinance could cause some problems, so we will be looking at that as well. So the formula for a part time employee would be thirty hours of sick leave annually, if we are forced to go to fifty-six hours annually it could pose a lot of problems and could violate state law. So we're going to have to look at that. That's all I have, hope everybody has a great evening.</p> | Thank you |
| Jeremy | Roundtable | | Minimum wage and coalition formation | <p>59:28 - Thank you so much for giving me the floor for just a moment. Also, thank you County staff for organizing this meeting. I think it's really important that you hear from the lessees and the businesses that are operating. I think that it's important that the BOS hears from all of these folks as well. I just wanted to mention that I am working with a group of several Lessees and we are working to build a coalition to make sure that the voices of business owners, that voices of lessees are heard. I am confident that you will take good notes and share this conversation with the staff and with the Board. But I think we need to do more. We believe we need to do more to make sure that the Board really understands what the impact of this potential ordinance are. So I just put a link in the chat, www.jobsoncountyland.com. And I would encourage every business in this call, every lessee in this call to take a look at that website and to join us. We are working on a petition. We are working on our own economic survey. And we are going to be working on letters and meetings with the Board directly. So I just encourage everyone to - dont stop just at this meeting but continue to make your voice heard. It's really important for the Board to understand the impacts. I do have one question, I think I heard Anne maybe say earlier that the minimum wage of the jurisdiction would apply. I was a little confused by that, so if the County had a wage that they had opted, lets say that the County adopted a minimum wage at some point in the future, and the property is in the City of El Cajon but it's on County land. Would it be subject to the County's minimum wage if the County's minimum wage is higher, or would it be subject to the local juristictions minimum wage.</p> | It would be the higher. The higher of the wages. [ok, thank you for clarifying that. Again, jobsoncountyland.com . Would love for you to get involved with the work we're doing. Thank you again County staff for organizing this meeting, amazing turn out. |

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| Lee Chestnut | Roundtable | Chestnut Properties | Minimum wage and prevailing wage | 1:02 - Sorry about that, this is Lee Chestnut of Chestnut Properties. Thank you for hosting this tonight and thanks to everyone that is participating. Jeremy is helping us work on, compiling information that we will be able to present to you and the County BOS. We have employed an Economic Analyst to do a high level study that will be including the information that we have and a survey to determine economic impacts of this. There are a couple of interesting things. There's talk about what is the actual minimum wage that is going to be the highest and I just am of the opinion that if there is not a clear classification of a wage that is high enough then the County BOS will do whatever they have to do to establish a category that will be published and will make sure that those higher wages are in fact established for workers that would become subject this. Our research is showing that there are classification for warehouse workers that are in a prevailing wage kind of category. The rate to the employee is \$26.40/hour with a fully loaded rate of almost \$60/hour. Because of all the fringe benefits and protections that are mandated by this prevailing wage category, I am asking you, at the County, if you also agree that that is reflective of a likely highest wage? | 1:4 - I don't know if we have that answer Lee. |
| Lee Chestnut | Roundtable | Chestnut Properties | Minimum wage and prevailing wage - impacts of ordinance | 1:04 CONTINUED: That's one of the most important things that could possibly be discussed is what in the world are they trying to ask us to comply with? What is the amount? And the cost of the wage is not just the wage paid to the employee, it's the wage for all of the other things, the benefits that have to be applied. That's a major concern, is obviously that the wages are not only higher, but that they are substantially higher by a huge increase. We are talking 250%. I also want to make a report that the threat of this ordinance has had the damaging effect that we are all kind of talking about, wondering if it will ever have that effect. I told the board members in the March hearing, for my ground lease to be signed. Because they talked about the idea of an ordinance coming, and I said "if you guys are asking me to comply with a living wage, there's no way I can do that as a developer. I can't successfully bring any tenants to this site. I can't do this, you might as well vote no." and they told me in that hearing that they would be very careful not to single my project out, and they went a head and made some comments and they unanimously approved my lease. The problem is that the threat of this ordinance has eliminated any prospects of having any tenants and I have had multiple tenant prospects for this site over the years, multiple. In the last 30 days I have had conversations with other developers, friends, mentors and brokers that are involved, and the chances of landing any major employer that would jump into a commitment to establish a location at this location. The answer is no one is coming. | |
| Lee Chestnut | Roundtable | Chestnut Properties | Union support of his projects | CONTINUED: The thing that is also interesting to me, and I want everybody on this call to hear this. The Unions supported the project and went on public record saying they wanted this project that I was specifically working on to be built. Not because it got them everything they wanted, but because they realized it had an amazing benefit for employees, for people that worked in the area and for contractors, for actual laborers and workers. We had support from a Teamsters Union representative. Which is a warehouse record teamsters, went on and said this project is one that we want to have built, we see a battle fight that we are waging that is much bigger than this but this is too important to stop. The actual threat that we are dealing with is an ordinance that is coming and we need to deal with this to defeat the threat. That means we either need to pass it so we can litigate it and file complaint with FAA, or that hopefully they will exempt all Airport properties which is the right thing to do. Or this will be a lengthy process to fight it. | Thank you. |
| Luis Fernandez | Roundtable | | | 1:08 - Good evening, my name is Luis Fernandez. I'm kind of small in this meeting but I am the current President of the Lakeside American Little League. We were just acquired by the County from the Helix Water district. Our lease is now being held by the County. We are Non-profit and we run on pretty lean margins there at the Little league. And I just want to know, we do a lot of our work ourselves, and we base a lot of work on volunteer work from our families. A lot of union workers actually have kids at our league and they do the work for us for free. Are we going to be required to use union work, ya know, we have issues with plumbing, and things are always going bad, are we going to be required to use union labor which we really cant afford. It's a razor thin margin when we operate to do that | I can respond to at least part of your question. Volunteers are not a part of this ordinance. So if you have volunteer workers, that would not be - as it is currently written- not apart of the proposed ordinance. And then again if they are smaller projects less than \$25,000, currently as written, those would be exempted. Does that answer your question. [Yes that helps alot] |
| Scott | Roundtable | | Wages | 1:10 - The proposed "Fair Employment Standards" is anything but fair. It unfairly burdens contractors and lessees' who pay fair market rent to the county to lease facilities. Death by a thousand cuts, this is not, it is a huge burden to independent businesses. The State of California has raised minimum wages aggressively over that past 5 years, with another huge 6.6% increase coming in January. Many trades pay far in excess of minimum wage. Businesses with this burden will either, unjustly have to pay higher employment costs than their competition, fail financially, or fail to be able to pay rent to the County. The County cannot tax a small subset of industry that unlikely came upon facilities owned by the County. Just government applies to all. I would suggest you petition the Governor for a statewide wage increase rather than this piecemeal attempt that is clearly unjust to county lessees. | Thank you |
| Ari Novy | Chat | | | 1:11:19 - Can you clarify the difference between the \$500k construction contract exemption and the \$25k project exemption? | 1:11:40 - I think we will want to respond to that in writing. I believe that it is County awarded contacts vs independent small single craft projects but we will post the response to that online. |

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| Denny Breslan | Roundtable | | | <p>1:12:18 -I have a question about whether or not, since the BOS created this draft, and there is a section in there that requires the County to determine the cost of it. Several speakers have already mentioned that they are unable to do so without more information. So let's call this, for lack of a better term, an unfunded mandate. We are going to put this on you guys, but you are going to have to figure out what it's going to cost you. But you can't because we're not really giving you all the information we really need for you to figure that stuff out. No sooner have the BOS approved the property development at the Weld Property, (inaudible) it's on airport property, Gilespeie field. Which basically created 500 green jobs right next to a trolley station. Then they come back with this ordinance which caused that company to pull out and not even consider going there. And as one person told me that was on the Gilespeie Field Development Council, 15 years that property's been vacant. They finally get someone that can develop it, then this comes along. The problem I see is that they hand us a bag of basically crap, and said deal with it without really the tools allowing us to do that. So my understanding was that you guys, the County staff, and maybe that's why your trying to gather this information in order to create a body of data that you will then tell the supervisors, what this impact will be on County property. You already heard that Gilespeie field in El Cajon which has a 9.9% unemployment rate, when the rest of the County averages about 6.5%. So you're killing us with this stuff. And what have you done? Or what has the staff done? And you did ask the questions about the aviation classifications are not going to apply but many of these properties, there's 339 of them, based on what I can tell from the County website or the data that Anne Baldwin sent me. There are a lot of mom and pop outfits there, who their employees, and probably most of them paying minimum wage. How are you going to quantify the cost of this ordinance to the supervisors after all this input and feedback coming from not only letters you received, but from this particular zoom call.</p> | thank you |
| Barry Bardack | Roundtable | | | <p>I've seen the County BOS do this before. They give staff a directive without giving staff the option of analyzing whether the proposal is even valid or should even go forward. And one of the things staff has to be able to do is after they put all of this information together, be able to come back to the County BOS and recommend that the ordinance not go forward. I've seen you painted in this corner before, and it's unfair to staff to put them in that position.</p> | Thank you |
| Dustin Shepard | Roundtable | Terra Bella Nursery | Agricultural wages; cost increases | <p>I work with Terra Bella nursery, and we lease some agricultural land that we strictly use for growing grounds. I have not heard anybody else talk about how this will affect agriculture. If we have to pay a living wage, but just looking at the living wage for San Diego county, it looks like our costs, at best, would increase at least a 100%, but more likely 300%-400% for agricultural workers. Agriculture is typically exempt from these ordinances, but I didn't see anything in this ordinance referencing that agriculture would be exempt.</p> | That's correct, as currently drafted, there is no exemption for agriculture. So, we would appreciate if you could provide that detail to us as well, either in the chat feature or providing input to the departments or the Board of Supervisors directly. We have the numbers that you provided here tonight, but if you have more detail about what those increases would mean to your business, that's a financial impact that would be useful Case study. |
| Dustin Shepard | Roundtable | Terra Bella Nursery | Wages; vacating County land | <p>I can tell you right now that if this did pass and affect our business, the effect would be that we would immediately try our best to vacate the land. There's no way that any nursery on any agricultural land could afford those rates.</p> | We will be coming to the Farm Bureau, I believe it is on the 2nd of September, to engage that body. |
| John O'Reilly | Chat | | | <p>How will we get the summary info from this meeting? all said . all comments...</p> | We are planning to answer the Q & A and post it on the DGS website. I posted the link on the chat and I will repeat that so you can capture the link. We anticipate that by Friday, we should have that up. |
| Ari Novy | Chat | | Prevailing wage | <p>Do the prevailing wage rates apply only to construction activities, or would they also apply to routine maintenance activities when executed by a lessee's employees?</p> | I don't believe the ordinance differentiates between new construction, capital investment, or maintenance. So depending on the price threshold, it would potentially apply. |
| Susan Guerra | Chat | | Recording of meeting | <p>Will we be able to get the recording as well?</p> | |
| Wayne Rosenbaum | Chat | | Transcript of meeting | <p>If this meeting is being recorded will there be a transcript? I'm with the YMCA of San Diego County. I have two questions. One is something you just answered a second ago. Will the cost of general maintenance be based on an entire years worth of service or will it be based more on weekly or monthly rates. Especially considering the \$25,000 threshold. Something like a cleaning janitorial service and what that would look like? That's my first question, I have a second one. Because that would better describe those things that we spend on, things that are over our threshold of over \$25,000 if you accumulate them throughout the year.</p> | I think we will have to check on whether that's something we are able to do. It's being recorded, which is true, I think it's a question of posting an audio file. So that is something we will have to follow up with the answer for you. And we will be taking the audio recording and transcribing that into written format, which will also be available on the website. |
| Ronald Lelakes | Roundtable | YMCA of San Diego County | wages | | I don't think it applies to service contracts. It has to be a construction wage defined by the prevailing wage. |
| Ronald Lelakes | Roundtable | YMCA of San Diego County | Construction | <p>Regarding county awarded projects, is that any project that goes within the county for a permit process? If that was awarded, that's what you mean by the threshold of \$500,000? So, if we are the YMCA and we were going to do an additional, let's say, gymnastic building, just making it up at this point, to \$3,000,000 project, we are going for a permit, is that something that is going to trigger prevailing wages?</p> | County awarded contract is where the County has directly contracted with an entity. That's different than lessees contracting. Those are for capital projects by the County that are under construction contract |
| Ronald Lelakes | Roundtable | YMCA of San Diego County | Construction | | If your lease is subject to the ordinance, yes |
| Ronald Lelakes | Roundtable | YMCA of San Diego County | Construction | <p>Would the lease have to be changed in terms of what was designed for in the first place to turn to that, or would it be if you ran under the same business that it wouldn't turn on the ordinance?</p> | I don't believe the intent is that the construction would trigger compliance with the ordinance. I believe it's a change to the lease itself, whether is a new lease or a discretionary amendment to the lease |
| Ronald Lelakes | Roundtable | YMCA of San Diego County | Construction | <p>So if we don't change the original lease, then when?</p> | We would have to look at precisely how your lease reads, to answer that more concisely. |

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| David Dudley deia0 | Roundtable Chat | | Prevailing Wage/Offsite Fabrication v.s. Onsite Work; Competitive Disadvantage | <p>You guys keep talking about prevailing wage in your buildings, or buildings on County-owned land... You do understand prevailing wages do not apply to offsite fabrication. So what you're asking us to do is pay prevailing wage for fabrication for work performed in buildings on your land? That puts us at a disadvantage with any other contractor in the state. Prevailing wages only applies to on-site work. So fabrication on an offsite, as long as it's a fabrication facility that is not set up just for one project, prevailing wage does not apply. I'm talking about the work performed on the county leased building. We fabricate on county-lease building to install on schools all over the state. The work we do in fabrication on a facility that fabricates for many different projects does not have to comply with prevailing wages. Prevailing wages only onsite work. So you're asking us to pay prevailing wage where every other contractor in state in his fabrication yard does not have to pay. Are you expecting to keep these buildings occupied? we are a contractor, we fabricate and contract on project sites whether be schools, county, federal, whatever, we pay prevailing wage or Davis Bacon, but the fabrication yard is not required to pay prevailing wage. So what you're telling every tenant in a county-owned land is that they have to pay prevailing wage for their fabrication even though prevailing wage is all about construction. Prevailing wage only applies to onsite work, it does not apply to offsite work if that facility is not dedicated strictly to one project. So how do you expect to keep these buildings full?</p> <p>As a non-profit food pantry paving minimum wage, would we be affected by this?</p> | <p>The comment has been noted. We will ask for an interpretation on fabrication. [there is not interpretation. What you are proposing is that we pay prevailing wage and prevailing wage has nothing to do with offsite work] We understand your concern and will make sure that the Board is aware.</p> <p>Yes, non-profits, as written, are effected.</p> |
| Lee Chestnut | Chat | | Other county ordinances | <p>Is the county aware of any other county or municipality in the state of California that has an ordinance like this in place or does the county know of any other municipality or county in the state that is in the process of attempting to implement this new kind of wage ordinance?</p> | <p>Up and down the state, we have done some preliminary searches online and we have noted that there are some jurisdictions that do already have in place varying levels of wage requirements. Depends on the jurisdiction, how they are written. Those are available readily online if you're interested in finding out more about those.</p> |
| Rob | Round | | Increased expenses; No guidance of how this will be managed; how much government involvement in assuring compliance? Links to CA Wage Requirements | <p>The comments we are hearing are pointing towards a very far reaching ordinance and we are all worried how this is going to affect our businesses. As a property owner of several ground leases that we entered into almost 30 years ago leases with the goal of bringing jobs to the area (during when Diane Jacobs was Representative). We were very successful at that and now I think we're really penalizing those businesses if we are saying that. It appears that I will have to manage all my vendors that do maintenance, landscaping, HVAC contracts. All these expenses get passed on to businesses through their leases. If we were to request exemptions on these type of projects, aren't we putting the county in a bad position of needing to decide things that could become discriminatory in their decisions? How will this be managed? There is no guidance on how those contracts are going to be managed. How much government involvement will be put into this to ensure everyone is complying?</p> | <p>Thank you</p> <p>A preliminary search pulled up links with google. We have not compiled a list. I would point to the Bay Area, City and County of LA, San Jose, Alameda.</p> |
| Jeff Kauttu | Chat | | Wage Rates | <p>Will links be provided to other wage requirements in the state?</p> | <p>There is not a standardized rate as they varied so greatly throughout different jurisdictions</p> |
| Lee Chestnut | Chat | | Wage Rates | <p>What are the wage rates based on your research and the load?</p> | <p>Unfortunately, I have not spent enough time to provide you a lot of background information on how those have rolled out. Our focus has been on the real estate side of the ordinance and there wasn't a lot that I readily found available that was specifically tied to real estate. So definitely never to the real estate front than it is to the construction front on the construction front it's SANDAG and MTS and some other local agencies that have applied this.</p> |
| Michael Borden | Roundtable | | Asking for history or Background of Living Wage in other locations | <p>Is there any history or background on another location where they have done something like this? So would you say on leased land there has never been a case that the governing entity had dictated the wages of their subleases? Does the county have any history of this on other ordinances in other states? Are there examples of places? We have not been able to find any other than minimum wage.</p> | <p>There have not been any case studies done. I don't believe we can speak to this as we have not done enough research to have any authority on this. There are living wage ordinances in the Bay Area, but do not know if it applies to apply with this ordinance.</p> |
| Michael Borden | Roundtable | | Asking for history of dictating wages for subleases | <p>Is there any history or background on another location where they have done something like this? So would you say on leased land there has never been a case that the governing entity had dictated the wages of their subleases? Does the county have any history of this on other ordinances in other states? Are there examples of places? We have not been able to find any other than minimum wage.</p> | <p>There have not been any case studies done. I don't believe we can speak to this as we have not done enough research to have any authority on this. There are living wage ordinances in the Bay Area, but do not know if it applies to apply with this ordinance.</p> |
| Lee Chestnut | Roundtable | Chesnut Properties | Living Wage/Negative Impact/Asking for Evidence | <p>We believe there is an example of the impact and frankly it is harmful and a negative economic impact of something like this in real time. The city of Long Beach approved and had a COVID mandated emergency wage increase of \$4 per hour and the reaction from the grocery chains was to shut the doors because of \$4 per hour increase affected their operations. We see this as a real time example if an ordinance like this that requires a unique and targeted wage that would put the county property at a disadvantage to neighboring properties. It's a very good example of quick negative consequences. Another thing I've been hearing is that there are other examples of this. Our team has been working with you for a month and a half with great people trying to figure this out. I don't agree with you that there are any examples that can give us an idea. What we are seeing in research is a San Francisco Bay Area has increased their min wage to \$16.50 to \$17.50 per hour and State of CA to \$14 per hour. All kinds of progressive municipalities across the state are imposing higher minimum wages but they are not talking about something new called a living wage. I am asking for any evidence that the county has that will show what the intent really is here? We have to look what is actually published for the warehouse workers from the teamsters which is a load of almost \$60 per hour. This is not a \$4 per hour increase. Why isn't the board pursuing the "living wage ordinance" since that has already been modeled in multiple counties and it can be quantified versus something that is being proposed here that clearly nobody has a handle on what this is going to cost?</p> | <p>I believe there are living wage ordinances in 8 counties: LA, Marin, San Francisco, San Mateo, Santa Cruz, Sonoma, Ventura, Santa Clara and the City of San Diego has a living wage ordinance. We don't have the information of the "living wage".</p> |
| Rob | Roundtable | | Living Wage/Cost Staff Report/Living Wage described in report | <p>Why isn't the board pursuing the "living wage ordinance" since that has already been modeled in multiple counties and it can be quantified versus something that is being proposed here that clearly nobody has a handle on what this is going to cost?</p> | <p>Cannot speak for the board.</p> |
| Wayne Rosenbaum | Roundtable | Environmental Law Group | Impossible to evaluate risk | <p>Will "readily available wage requirements" be fully described in the staff report? RELATED TO ABOVE QUESTION: This is impossible to evaluate the risk to our business if that is NOT known.</p> | <p>The ordinance does not set forth what those wages are. Staff does not have access to determine what the resulting wage will be should this be approved. We won't have data unless it comes before us.</p> |
| Wayne Rosenbaum | Roundtable | Environmental Law Group | Impossible to evaluate risk | <p>Will "readily available wage requirements" be fully described in the staff report? RELATED TO ABOVE QUESTION: This is impossible to evaluate the risk to our business if that is NOT known.</p> | <p>That commentary will be shared with the Board.</p> |

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| Denny Breslin | Roundtable | | FAA Input regarding Living Wage Ordinance | Has anyone answered what the FAA input to this ordinance is? Have you reached out to make sure there are no conflicts with grant assurance or other federal rules? | We have reached out the FAA however, we have not had any opportunity to discuss this and we look forward to their feedback but may not have this opportunity prior to board hearing on October 5th. |
| | | | | I just want to go on record... Living Wage is a non-starter. My conversation was not meant to look like that I believe by establishing more clarity, that this will make a living wage work. It does not work. It is so overmarket. It completely puts businesses at an immediate disadvantage of the neighboring municipality. The only thing that's fair is to have a broadly applied ordinance that also applies to the competing properties across the street. Nothing other than that will work. It will put us and all your land at airports at a disadvantage and it will eliminate the opportunity to compete. So I am NOT in any way of supportive of this is an acceptable living wage. It is completely not acceptable in our opinion. On the issue of the FAA, we have clear input from our team that this ordinance does violate grant assurances on many different levels. The one that is the most interesting and compelling to me is the covenant not to discriminate one property to another. Even the idea of imposing this progressively when one has some need to come to the county for a lease extension but another one doesn't. Immediately it is right in the soul and heart of the commitment not to discriminate and put one part, one ground, lessee or business on county FAA land at a disadvantage to another. So Grant Assurances are many many things. But the commitment not to discriminate is probably at the highest of my list. I have a feeling these statements are going to somehow get in front of the County Board of Supervisors. I am not supportive of an arbitrary imposition of a living wage. I'm supportive of a state decision that comes down from the state of CA leadership that would become enforceable on this county land. That is the only way it can be fairly done. | |
| Lee Chestnut | Roundtable | Chesnut Properties | Living Wage/Grant Assurances | | |
| Denny Breslin | Chat Comment | | Input from FAA Legal Counsel | Input from the FAA legal counsel would be essential that you know what if this passes only to find out, possibly through lawsuits, that it violates federal or constitutional law. Obviously there's an exception and exempt in the ordinance for anything that is a violation of state or federal law or federal funding requirements would be exempted from this ordinance that has not yet been determined with the FAA. | |