



London N. Breed  
Mayor

Alaric Degrafinried  
Director and Purchaser

### MEMORANDUM

**Date:** February 4, 2019

**To:** City & County of San Francisco Contracting Officers

**From:** Alaric Degrafinried, Director and Purchaser, Office of Contract Administration

**Subject:** Changes to the Minimum Compensation Ordinance (MCO) – Effective February 1, 2019

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I write to inform you of changes to San Francisco's Minimum Compensation Ordinance (MCO), effective February 1, 2019.

The MCO generally requires City Contractors, and tenants at San Francisco International Airport to pay a minimum hourly wage rate to their covered employees. On October 23, 2018, the MCO was amended to include an MCO rate for public entities, effective February 1, 2019.

The **Public Entities Rate** is applicable to **employees who work on contracts for public entities who have jurisdictional boundaries which are coterminous with the City's boundaries; OR employees of the In-Home Supportive Services Public Authority**. Public entities whose boundaries are coterminous with the City include the following: Local Agency Formation Commission; San Francisco Community College District; San Francisco Housing Authority; San Francisco Redevelopment Agency; San Francisco Transportation Authority; and San Francisco Unified School District. Public Entities who do not have jurisdictional boundaries which are coterminous with the City's boundaries are **EXEMPT** from the MCO.

**Here is the schedule of MCO Rates for Public Entities**

2/1/19 - No less than \$16.00 per hour

7/1/19 - No less than \$16.50 per hour

7/1/20 - No less than \$17.50 per hour

7/1/21 - No less than \$18.00 per hour

7/1/22 - No less than \$18.75 per hour

**Please inform all current and prospective contractors and tenants who are subject to these changes. For further information about the MCO visit <http://www.sfgov.org/olse/mco>. Should you have any questions, please contact the Office of Labor Standards Enforcement (OLSE) at (415) 554-7903.**